

AGRICULTURAL OUTLOOK

September 1982

Economic Research Service
United States Department of Agriculture



Farm Income Update, See page 10

AGRICULTURAL OUTLOOK

September 1982/AO-80



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Agricultural Economy

U.S. crop production will be large again this year—about the same as last year's record. On August 1, it appeared that growing conditions would again be favorable and yields would again be high, offsetting the 1-percent cutback in crop acreage.

Although their situation is now improved, many livestock producers lost money from mid-1979 through early 1982 and will be reluctant to expand their operations if it means taking on large new debts before paying off old ones. Thus, large supplies of low-cost feed will not stimulate much additional use during 1982/83.

Farm Income Update

Key indicators of the farm sector reveal that 1982 will likely be the third straight year of depressed financial conditions for many farmers. While livestock receipts are projected to be record high this year, crop receipts will likely fall from 1981 levels, despite larger marketings, leading to lower overall cash receipts from farm marketings. So, even though production expenses will rise only modestly compared with large annual increases in recent years, net cash income for 1982 will be approximately \$31 billion, 1 percent below that for 1981.

When cash receipt and expense measures are adjusted for noncash income and expenses, the resulting net farm income (before inventory adjustments) is projected to be about \$19 billion, compared with \$19.6 billion last year. Inventory adjustments this year are expected to neither add to nor detract from net farm income, leaving net farm income after inventory adjustment still at \$19 billion, down from \$25.1 billion in 1981 and \$20.1 billion in 1980.



World Agriculture and Trade

U.S. agricultural exports are expected to fall 8 percent in fiscal 1982, to \$40.5 billion. This would mark the first year-to-year decline in the value of farm exports since 1969, despite record volume projected at 165 million tons. Another bumper U.S. harvest has put additional downward pressure on export prices. Imports are forecast at about \$15 billion, also a decline, pushing the U.S. agricultural trade surplus below \$26 billion, down from last year's record \$26.6 billion.

Storage and Transportation

Because of record corn and soybean crops and a near-record wheat crop, it appears the Nation's transportation system and grain storage facilities will be under some pressure to handle the load. Localized bottlenecks can be expected.

Agricultural Policy

In August, Congress passed and sent to the President the Omnibus Budget Reconciliation Act of 1983, which alters some provisions of the Agriculture and Food Act of 1981.

General Economy

Preliminary estimates indicate that real GNP grew slightly during the second quarter, following sharp declines in the first quarter of this year and the fourth quarter of 1981. However, the slight turnaround was largely due to a slower rate of inventory run-offs, rather than an increase in sales. A similar situation is expected in the third quarter.

Based on the tax cut, sales are expected to strengthen in the fourth quarter. Through 1983, economic recovery will likely be sluggish by historical standards, with growth in real GNP and per-capita disposable incomes projected at 2.5 to 4.5 percent.

High-Value Farm Products: Outlook for the 1980's

Developments during the 1970's led to the emergence of two distinct world markets for farm products—one for bulk, low-value products (LVP's) and one for high-value, generally processed products (HVP's). World agricultural trade grew more than 17 percent a year over the last decade, to \$230 billion in 1980, almost 55 percent of which was HVP's. This is roughly the reverse of 1970, when LVP's took the larger share.

As a result of these trade developments, the United States' position in the world market shifted. In volume terms, the U.S. share increased substantially, and almost two-fifths of world agricultural trade now originates in the United States. However, the U.S. share fell in value terms.



Agricultural Economy

U.S. crop production will be large again this year—the same as last year's record. On August 1, it appeared that growing conditions would again be favorable and yields would again be high, offsetting the 1-percent cutback in crop acreage.

Foreign crop output will likely be about the same as last year. Grain production will decline fractionally, with a slight increase in coarse grains counterbalancing small declines in wheat and rice. As in the United States, soybean production is forecast to be up sharply, 14 percent. Foreign cotton production will be about unchanged. Crops grown in the Northern Hemisphere are nearing maturity, but many Southern Hemisphere crops will not be planted for several months. Therefore, at this time much greater uncertainty surrounds foreign production estimates than the current projections of U.S. output.

The production picture varies substantially from country to country. The USSR may experience its fourth straight year of low output. The area planted to wheat is off, and wheat yields are declining, pointing to a 5- to 10-percent reduction in output. Coarse grain production in the USSR will increase because of slightly better yields, but total grain production will likely

be low again, as a combination of events, including weather and management problems, are holding output down. Australia is experiencing a major drought, especially in the eastern part of the country, and total grain production may be off a third from the large crop harvested last season. The Indian rice crop is suffering from a poor monsoon. Better weather in Western Europe and Canada, along with prospective increases in output in South Africa and Argentina, will about offset declines in other countries.

Because of another year of large crops, supplies of grains and oilseeds will increase both here and abroad during 1982/83. Supplies will be adequate to handle expected use at low prices. Foreign consumption of grain will rise about 1 percent. Soybean consumption could increase about 6 percent, while cotton use may rise about 3 percent.

Lagging economies in most countries will limit demand for farm products and slow the shift toward greater consumption of livestock products in many developing countries. This situation, along with a strong dollar and relatively high interest rates, will dampen export price prospects for U.S. farmers. But, with large crop supplies available at low prices, the volume of U.S. exports of feed grains and rice may increase by 10 percent. Oilseeds will likely rise somewhat, while cotton and wheat shipments may hold near the record 1981/82 levels. The export picture could change quickly if Southern Hemisphere crops do not develop as expected or if foreign business activity picks up faster than now seems likely.

U.S. farmers will increase their use of grain and oilseeds only modestly during the months ahead, although livestock prices have risen sharply since the first of the year and both hog farmers and cattle feeders are earning a profit. However, poultry producers are still in a cost-price squeeze.

Many livestock producers lost money from mid-1979 through early 1982 and will be reluctant to expand their operations if it means taking on large new debts before paying off old ones. Thus, large supplies of low-cost feed will not stimulate much additional use during 1982/83.

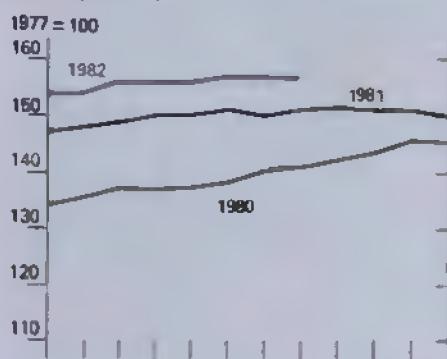
Without substantially larger domestic use, U.S. stocks of grains and oilseeds will increase further in 1982/83. Ending stocks of grain will have doubled from their low initial levels in 1981/82, while soybean stocks will be up between 50 and 60 percent. Cotton stocks will be smaller, but still large by historical standards.

Meanwhile, foreign grain stocks will decline about 5 percent during 1982/83. Stocks of major competing exporters of wheat and coarse grains will hold about steady, with a sharp decline in Australian wheat stocks offset by increases in other countries. By the end of next year, U.S. grain stocks will account for more than 50 percent of the world total, up from about a third at the end of 1980/81. Soybean stocks will account for 60 percent of the world total. In 1982/83, the foreign stocks-to-use ratios will likely decline somewhat for most grains and cotton but will increase for soybeans. In the United States, sharp increases are in prospect for the stocks-to-use ratios of grains and oilseeds, but a decline is likely for cotton.

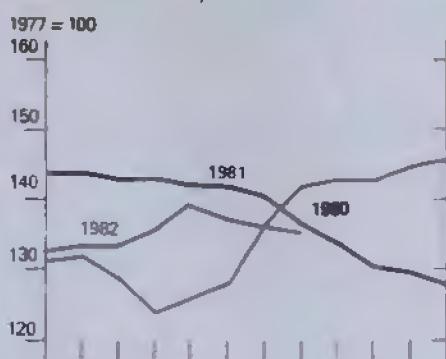
While ensuring abundant supplies for American consumers, large grain supplies will hold down farm income. Cash receipts for 1982 crops will decline as the large output will be more than offset by lower farm prices. Receipts for major field crops will decline the most. Most fruit and vegetables will bring higher returns this year. Livestock producers' receipts will be up somewhat, with hogs and cattle showing the largest gains. Total cash receipts will probably be the same to a little lower in 1982 than they were last year. Direct government payments and other cash income are rising. However, further—although moderate—gains in farm production expenses will more than offset the larger receipts, lowering net farm income. In 1981, income after inventory adjustment totaled \$25 billion. This year, net income will likely range from \$17 to \$21 billion. [Don Seaborg (202) 447-8378]

Prime Indicators of the Agricultural Economy

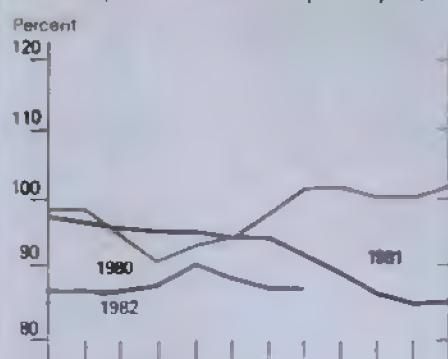
Prices paid by farmers¹



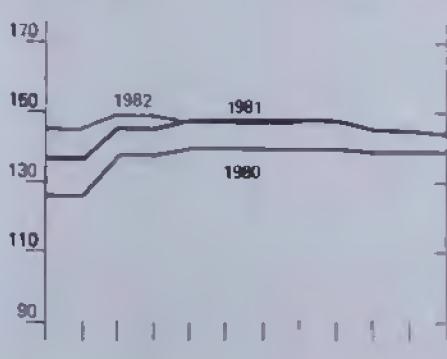
Prices received by farmers²



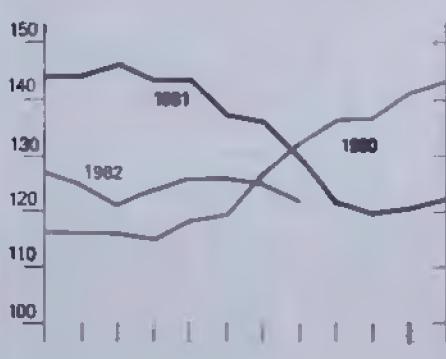
Ratio of prices received to prices paid



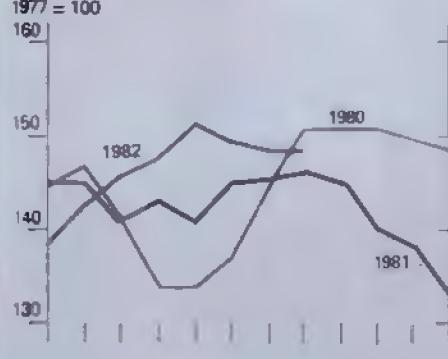
Fertilizer prices



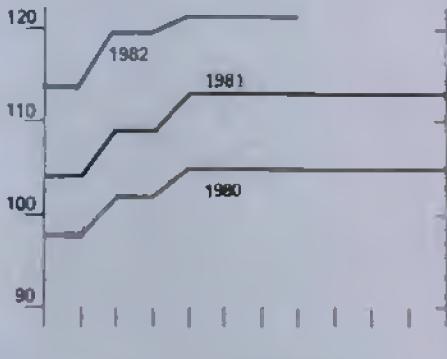
All crops



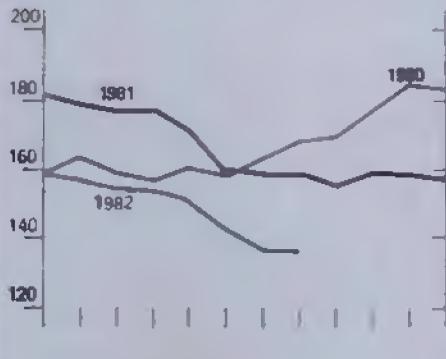
Livestock and products



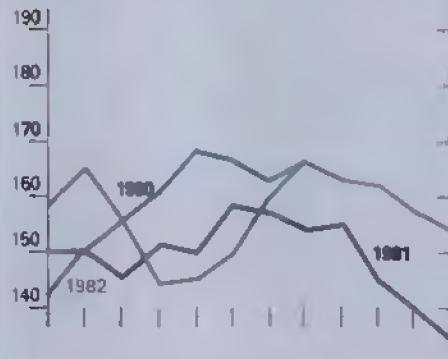
Agricultural chemicals



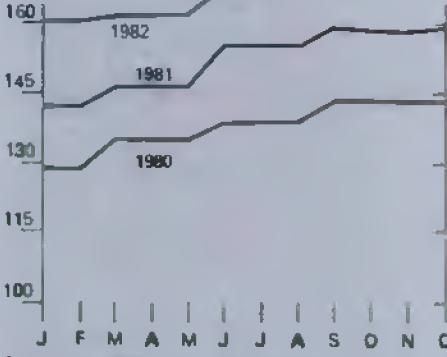
Food grains



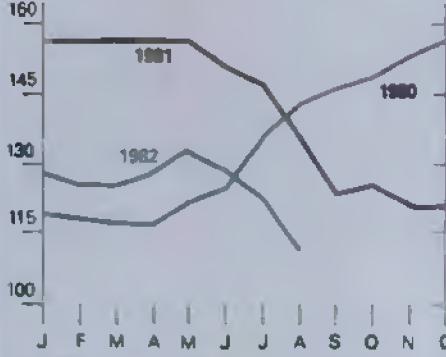
Meat animals



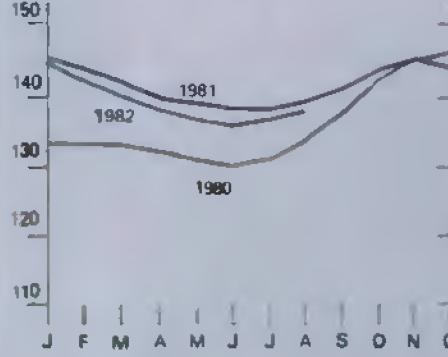
Tractors and self-propelled machinery



Feed grains and hay



Dairy products



¹For commodities and services, interest, taxes, and wages.

All series except "Ratio of Prices Received to Prices Paid" are indexes based on 1977 = 100.

²For all farm products.

LIVESTOCK HIGHLIGHTS

Cattle

Financial pressures have stalled expansion in the cattle inventory and likely point to continued favorable feeding margins into 1983. Federally inspected cow slaughter during the first half of 1982 rose 11 percent over a year earlier. However, the sharpest increases occurred in areas with mixed crop/livestock operations. In those areas in which cattle enterprises are the main source of income, increases in slaughter ranged from negligible to 8 percent higher.

The number of calves born as a proportion of the January 1, 1982, inventory is expected to tie for the smallest since 1950. Although the number of replacement heifers at the beginning of 1982 was larger than a year earlier, only 28 percent calved and entered the cow herd. This was the lowest since the series began in 1973 and well below the average of 45 percent.

Stronger feeder cattle prices, favorable pasture conditions, anticipated record hay stocks, and an alltime-high grain crop will likely slow the rate of cow slaughter during the remainder of this year. However, cow-calf operators, particularly those on mixed enterprises, may continue to cull cows because of financial stress.

Beef production in second-half 1982 is expected to rise 1 to 2 percent above a year ago. The sharpest year-to-year increases occurred this summer, as a larger number of fed cattle are marketed. Nonfed steer and heifer slaughter is forecast to decline from a year earlier, and only modest increases in cow slaughter are expected. The largest drops in nonfed slaughter will occur this fall, as lower grain prices and continued feedlot profitability encourage increased feedlot placements. Slaughter weights continue well below a year ago, and feedlots remain current. Beef production in 1983 is expected to decline modestly because of a reduced feeder cattle inventory. Fed cattle slaughter should rise above 1982 levels, but nonfed slaughter is likely to decline substantially.

Choice fed steer prices at Omaha are expected to average \$65 to \$67 per cwt this summer. Current feedlot marketings are keeping prices up, despite larger marketings. Prices are expected to average \$67 to \$71 this fall, with the strongest prices occurring later in the quarter. Fed cattle prices in 1983 may average near \$70, with the highest prices occurring in the first half, when total red meat production will likely be below year-earlier levels, primarily because of reduced pork production. In the second half, prices should decline modestly as total meat supplies rise, despite decreases in beef production.

Medium No. 1 yearling feeder steers at Kansas City are expected to average near \$70 for the remainder of 1982, as lower grain prices and greater feeding profits encourage larger feedlot placements. Feeder cattle producers are likely to resist lower bids, because forage supplies will remain plentiful. Feeder cattle prices may average about \$70 in 1983. [Ron Gustafson (202) 447-8636]

Hogs

Higher prices for barrows and gilts, along with weakening corn prices, have boosted hog producers' profits. Many farrow-to-finish producers are recovering all costs, including ownership charges. However, when the breeding period for the fall pig crop ended in early August, there was no evidence that producers had changed their intentions to have 10 percent fewer sows farrow. Although some herd rebuilding is expected during the remainder of the year, additional pork supplies will not show up until the second half of 1983.

Commercial hog slaughter in the third quarter is projected to be 12 percent below a year earlier. During July and August, federally inspected slaughter was down about 9 percent. Slaughter during the remainder of the quarter is expected to decline more sharply. Commercial production for the third quarter is projected to be 3,225 million pounds, down 11 percent from last year. Production will not decrease as much as the rate of slaughter, because the average dressed weight is expected to increase from last year's relatively light 169 pounds. Hog prices at seven major markets are forecast to average \$60 to \$62 per cwt.

Fourth-quarter hog slaughter will be largely drawn from the June 1 inventory of hogs weighing under 60 pounds, which was down 18 percent from a year ago. Last year, producers were reducing the breeding herd in the fourth quarter; however, they may be rebuilding this year, further diminishing the number of hogs available for market. Thus, commercial slaughter may be down more than indicated by the inventory decline. This fall, hog slaughter is forecast to drop 19 to 21 percent from last year. Prices in the fourth quarter may average \$57 to \$61 per cwt. [Leland Southard (202) 447-8636]

Broilers

The forecast for large grain and soybean crops increases prospects for lower feed prices for broiler producers. However, demand for broilers, especially for whole birds, has been weak because of the sluggish economy and disappointing export interest.

During April-June, broiler meat output from federally inspected plants increased about 1 percent from last year's 3,081 million pounds (ready-to-cook). Reduced supplies of red meat, mainly pork, encouraged producers to expand output for the second half of this year, up 2 to 4 percent from a year earlier. In spite of fewer replacement pullets for the hatchery supply flocks, broiler producers are projected to increase output in 1983—possibly by 1 to 3 percent.

During April-June, wholesale prices for broilers in nine cities averaged 45 cents a pound, off 2 cents from 1981. For the remainder of 1982, they are expected to average in the low 40's. If the economy improves as expected, broiler prices in 1983 may be between 45 and 51 cents, up from 34 to 45 cents this year. [Allen Baker (202) 447-8636]

Eggs

Egg production in the second quarter of the marketing year (December 1-November 30) was 1,451 million dozen, down 1 percent from last year. Production is expected to be about 1 percent below year-earlier levels through

Supplies Update: Livestock and Products

Beef¹

Mil. lb.



Broilers²

Mil. lb.



Eggs³

Mil. doz.



Pork¹

Mil. lb.



Turkeys²

Mil. lb.



Milk⁴

Bar. lbs.



¹Commercial production. ²Federally inspected slaughter, certified. ³Farm production; marketing year beginning Dec. 1. ⁴Total production.

the remainder of the year. Egg producers appear to be waiting for clear signs of favorable returns before they expand. In July, the hatch of replacement layers was up 7 percent, after being below a year earlier most of the time since April 1981. However, the replacement hatch was down last year, and even the current increase is still below 1980.

Wholesale prices for Grade A large eggs in New York averaged 72 cents a dozen during March-May, up from 70 cents last year. Prices have been weak in the third quarter, as the export market continues sluggish. Prices in August averaged 65 cents a dozen, down from 73 cents last year. During

June-November, they are expected to be 5 to 7 cents below last year's 74 cents. Prices during 1983 may average 71 to 77 cents, up from 71 to 73 cents this year. [Allen Baker (202) 447-8636]

Turkeys

Turkey meat output during the third quarter will be down about 11 percent from last year, and fourth-quarter production may drop about 2 percent. If producers have a profitable second half, as now appears likely, turkey meat output in 1983 may increase 6 percent from this year.

Cold storage stocks of frozen turkey on August 1 were 16 percent below last year. Because producers are keeping stocks manageable, turkey prices are expected to increase during the remainder of the year. Wholesale prices for 8- to 16-pound hen turkeys in New York averaged 59 cents a pound in the second quarter, down from 64 cents last year. During the third quarter, prices are expected to average 64 to 66 cents, slightly above last year's 63 cents. Prices should strengthen seasonally in the fourth quarter and may average 66 to 70 cents, sharply above last year's 55 cents. If the economy improves as expected and turkey output expands about 6 percent, 1983 prices may average 63 to 69 cents, up from 61 to 63 cents this year. [Allen Baker (202) 447-8636]

Dairy

Milk production in 1982 is projected to total 134.6 billion pounds, down from the previous forecast of 135.7 billion, but still 1.5 percent above a year earlier. The year-over-year gain in production slowed during the winter and spring but is expected to pick up this summer. Problems with the amount and quality of forage in some areas this past winter, combined with severe weather, limited gains in output per cow during January-June. This summer's good grazing and large supplies of concentrate feed at favorable prices will likely boost the second-half output per cow from a year earlier.

The milk cow herd on July 1 remained larger than a year ago, despite heavy culling from January to July. The high rate of culling was the result of poor forage and weather, milk prices below year-earlier levels, and an ample supply of replacements. While the rate of culling could be high during second-half 1982, the large number of replacements on July 1 will keep the herd bigger than a year earlier.

Pending dairy legislation would cancel the October 1 increase of 15 cents for the support price, which stays at \$13.10 per cwt. Also, the legislation permits a fee of 50 cents per cwt when expected net purchases reach 5 billion pounds or more. However, low feed costs will limit production adjustments.

Commercial disappearance of milk and dairy products has improved this year, because retail prices have remained stable. Reflecting lower farm prices for milk, the Bureau of Labor Statistics' July index of prices for dairy products was just 1.4 percent above a year earlier and only 0.7 percent more than in January 1982. Commercial use of milk was up 2 percent in the first quarter, followed by a 2.4-percent increase in the second. The expected economic recovery should maintain these gains during second-half 1982. [Clifford A. Carman (202) 447-8636]

CROP HIGHLIGHTS

Wheat

U.S. producers expect to harvest 2.77 billion bushels of wheat in 1982, only 1 percent below last year's record. About 79 million acres will be harvested for grain, nearly 2 million fewer than in 1981. However, the national average yield is expected to rise to a record 35.1 bushels an acre, compared with the 34.5 that produced the record 1981 crop. This large crop will push the 1982/83 wheat supply to an alltime-high 3.93 billion bushels. Although total domestic use and exports are expected to about match last season's record 2.63 billion, yearend stocks will continue to build for the third straight year. Stocks on June 1, 1983, will likely top 1.3 billion bushels, the largest since the early 1960's. This outlook has pushed farm prices during harvest to below the \$3.55-a-bushel loan rate in most locations. For 1982/83, the average farm price is forecast between \$3.45 and \$3.65 a bushel, compared with last season's average of \$3.65.

The 1982/83 world wheat forecast was raised 2-1/2 million tons from the July estimate but is 5-1/2 million tons below last year's record. Both foreign area and yield are down slightly. Favorable weather boosted forecast Chinese production by 2 million tons, equal to last year, while Canadian output should be a record because of optimal growing conditions. Australian production prospects dropped for the second consecutive month, as dry weather persisted in New South Wales, where only a half inch of rain has fallen since the last week in May. This will be Australia's lowest output since 1977/78. Although there were some delays, Argentine sowing was recently completed, and prospects continue favorable.

Expected world trade in wheat and wheat flour in 1982/83 (July/June, excluding intra-EC trade) remains at 101 million tons. Export forecasts were raised for Canada, because of its large crop, and the EC, because of high export authorizations. The forecast for Australian exports was lowered 2 million tons. The U.S. export forecast is unchanged at 48.5 million tons, but it is now lower than last season because of an upward revision in 1981/82 exports, to 49.1 million.

World consumption is expected to match last year. With increased production, ending stocks will grow for the second consecutive year. A high stocks-to-use ratio of 19.5 percent and large production will depress prices in the near future. [Allen Schienbein (202) 447-8444 and Bradley Karmen (202) 447-8879]

Rice

The 1982 U.S. rice crop is forecast at 155.6 million cwt, down sharply from last season's 185.4 million. The voluntary acreage reduction program cut acreage effectively—farmers certified compliance of about 84 percent of the total acres enrolled in the program. Although the program will lower production, extremely high beginning stocks of 49 million cwt will push rice supplies to a record 205 million cwt. Exports are projected at 91.2 million cwt, up from last month's forecast of 86.5 million cwt, as some shipments to South Korea are shifting from 1981/82 to 1982/83. Although some gain is expected in domestic use, exports will not rise enough to offset downward pressure on prices caused by unprecedented stock levels. Average farm prices are expected to range from \$8.25 to \$9.75 per cwt, compared with \$9.25 during 1981/82. The forecast range is well below the target price of \$10.85, making significant deficiency payments very likely this season.

World production of milled rice in 1982/83 is forecast at 271 million tons, down 2 percent from the July estimate and the 1981/82 output. Foreign rice production is expected to fall by 4.5 million tons, with the biggest decline in India. However, that decline will probably not affect world trade, because India will lower domestic consumption and ending stocks. In contrast, expected production declines in two major importing countries—Indonesia and South Korea—will likely result in a modest increase in world trade. Production in major foreign exporting countries is expected to be at last year's level, but exportable supplies will be higher because stocks in some countries, especially Thailand and Burma, grew during 1981/82.

World trade in 1982/83 will probably be only marginally above last year. However, U.S. exports may rise to 3 million tons, from 2.7 million last marketing year. The past year was disappointing because of sluggish import demand, particularly with lower-than-anticipated shipments of West Coast rice to South Korea. Thai competition will remain strong this year, and prices will likely stay depressed. However, much higher South Korean import needs should boost U.S. exports to the previous record. Export prices will probably continue to fall, and export unit values may decline as the share of lower priced brown rice increases. (Barbara A. Claffey (202) 447-8444 and Eileen M. Manfredi (202) 447-8912)

Coarse Grains

The 1982 U.S. feed grain harvest is projected at 252 million metric tons—about 3.5 million larger than last year's record. This year's harvest will be taken from 106 million harvested acres—slightly fewer than in 1981. The corn, oat, and barley crops all appear headed for record-high yields this year. The expected feed grain harvest includes 8,315 million bushels of corn, 829 million of sorghum, 591 million of oats, and 509 million of barley. The corn and barley crops may be records.

The total feed grain supply will include carryin stocks of approximately 65 million tons. However, almost 47 million tons of the carryin will likely be in the farmer-owned reserve and Commodity Credit Corporation inventories, leaving "free" carryover stocks of about 18 million tons—20 percent less than this season's free carryin.

Feed grain prices weakened in late July and early August because of favorable crop prospects, and as corn and sorghum in the farmer-owned reserve became available for market with the extension of the rotation period for these two grains. By mid-August, average farm prices were below loan rates for corn, sorghum, and barley. The reserve was opened for oats as market prices dropped below the trigger price. Feed grain prices will likely be under continued downward pressure through the harvest. During the first half of 1983, corn and sorghum prices are expected to improve seasonally, but probably not enough to bring 1982/83 average prices above loans rates.

Feed grain demand from livestock and poultry feeders during second-half 1982 is expected to be near year-earlier use. Increased use in cattle feeding, dairying, and broiler production will likely be offset by decreased hog feeding resulting from a 14-percent reduction in last spring's pig crop.

Foreign production is expected to recover from 1981/82's reduced crop. Increases are anticipated in the USSR, Western Europe, China, and possibly South Africa. Foreign area may total near last year. Yields are expected to improve only slightly, because Soviet yields will likely remain low—about 1.4 tons per hectare.

Foreign use in 1982/83 may increase about 2 percent. In the USSR and Eastern Europe, short supplies will continue to limit use. Slow growth in livestock production is preventing feed use from expanding significantly in the developed countries, where following a slight drop in 1981/82, use may rise 1 to 2 percent. In the developing countries, a slowdown in the livestock sector is also affecting feed use of coarse grains, now estimated up about 5 percent in 1982/83, compared with 7 percent the previous year. Nonfeed use, closely tied to production, may increase less than 1 percent.

World coarse grain trade is expected to increase in 1982/83. Imports of the developing countries may jump 4 million tons. Soviet imports are forecast to remain at about 26 million tons, and as in 1981/82, the USSR will account for a quarter of world coarse grain trade. During the previous 5 years, Soviet imports averaged 13 percent of global trade. Financial constraints will further reduce Eastern European imports. Western European purchases may decline because of improved domestic harvests and, in the EC, increasing use of nongrain feeds.

Exports of our major competitors may decline a tenth—3 million tons—in 1982/83. Argentina and South Africa harvested smaller crops last spring,

and Australian production will decline substantially. Thus, the U.S. share of world exports will improve in 1982/83, but the volume and share will probably not return to the high levels of 1979/80 and 1980/81. (Larry Van Meir (202) 447-8444 and Sally Byrne (202) 447-8857)

Oilseeds

The 1982 soybean crop is forecast at a record 2,293 million bushels, up 263 million from last season and 25 million above the 1979/80 record. This forecast implies that harvested acreage may reach an alltime-high 71 million and yields may be a record 32.3 bushels an acre.

Prospects for record supplies have pushed prices lower for beans, oil, and meal. Soybean cash-bid prices in Chicago fell from \$6 a bushel in early August to \$5.50 by mid-month. For 1982/83, farm prices are expected to fall sharply below this season's \$6.05 a bushel, with the average price likely to be between \$5.25 and \$6.25.

While ample soybean supplies at lower prices are expected to stimulate use, an anticipated 6-percent increase in domestic crush and a 3-percent gain in exports will leave the rise in total use short of the 13-percent expansion in production. Consequently, stocks by season's end could build to an alltime-high 425 million bushels.

World oilseed production is forecast at a record 185.1 million tons in 1982/83. Thirteen-percent increases for soybean and sunflowerseed production are pushing total oilseed growth 7 percent above a year earlier. However, production of peanuts and cottonseed is projected to decline modestly. Weather in the Northern Hemisphere during June and July favored oilseed development in Western Europe, Canada, and especially the United States. The resulting increases in prospective yields for rapeseed and soybeans will easily offset declines for Indian and West African peanuts. Large harvests will likely push the real prices of oilseeds and products to the lowest levels since before World War II.

Ample supplies and low prices are increasing consumption of oilseed meals and oils. However, there are limitations on increased disappearance. Slow herd growth in major livestock producing countries limits meal consumption, while sluggish income growth and foreign exchange constraints are directly hindering vegetable oil use. Unless world economic growth accelerates dramatically, record-high ending stocks of uncrushed oilseeds are expected in 1982/83.

Strong EC demand should be the major factor boosting world oilseed trade. Global soybean exports are forecast at a record 31.2 million tons, and the U.S. share will likely remain at more than 80 percent. [Leslie L. Herren (202) 447-8444 and Ed Allen (202) 382-9820]

Cotton

Based on conditions as of August 1, the 1982 U.S. cotton crop is forecast at 11.1 million bales, 29 percent below last year. Reflecting abandonment of about a third of the planted area in Texas and widespread compliance with the acreage reduction program, the harvested area is projected at 9.5 million acres, 31 percent below 1981. The average yield per harvested acre is forecast at a record 563 pounds.

Prospective supplies for 1982/83 are down only slightly, because the nearly 4-million-bale increase in stocks during 1981/82 will about offset the expected drop in production. Moreover, disappearance is forecast only slightly higher this season. So, while there is a good chance that stocks on August 1, 1983, will be worked down, they will still be too large to push up prices, unless demand prospects improve considerably by mid-1983.

U.S. cotton exports during 1982/83 are forecast at 6.7 million bales, 0.1 million above 1981/82. Domestic textile mills are expected to use around 5.6 million bales of cotton this season, 0.3 million above 1981/82. To reach this forecast, textile activity will have to pick up soon, because the seasonally adjusted annual rate of use averaged 5.1 million bales during June and July.

These early-season forecasts point to cotton stocks of around 5.3 million bales on August 1, 1983, 1 million below this August 1. Prospects for continued high stocks are pressuring cotton prices. New-crop futures—December 1982 contract—were around 66 cents a pound in mid-August, slightly below a year earlier and 8 cents below the contract high reached this July. Spot prices are also lagging year-earlier levels.

Upland cotton producers who complied with the 1982 acreage reduction program will be eligible for deficiency payments on normal production from this year's acreage. The payment rate will be the smaller of the difference between the 71-cent target price and (a) the loan rate of 57.08 cents a pound or (b) the calendar 1982 average farm price. Because monthly farm prices through July were all below the loan rate, a substantial payment is likely.

The forecast for world cotton production in 1982/83 has been lowered to 66.8 million bales, down from 1981/82's record 71.2 million. All of the decline is in U.S. output; foreign production is expected to remain at the 1981/82 level. Production is projected up in China and Pakistan, about the same in the USSR, and down in Mexico and Egypt. China's record crop will make it the world's leading cotton producer, with the USSR in second place, and the United States third.

Global cotton use is expected to rise to a record 68 million bales in 1982/83, after remaining stagnant at less than 66 million the last 2 years. Assuming an economic recovery worldwide, both foreign and U.S. mill use will likely rise.

World imports are expected to decline again in 1982/83, especially in China. U.S. exports are forecast at 6.7 million bales, slightly above last season, primarily reflecting reduced competitive supplies abroad. Foreign stocks will probably remain about the same in 1982/83, but U.S. stocks may fall by around 1 million bales. [Sam Evans (202) 447-8444 and Eileen M. Manfredi (202) 447-8912]

Peanuts

For the 1981 marketing year, edible uses of peanuts were running 13 percent ahead of a year earlier. Use for salted peanuts jumped by 35 percent, for peanut butter 11 percent, and for candy 5 percent. However, edible uses still have not rebounded to levels preceding the drought-reduced 1980 crop.

Peanut production in 1982 is estimated at 3.5 billion pounds, 13 percent below last year, but 50 percent above 1980. A 17-percent drop in quota reduced planted acreage. A record yield of 2,710 pounds an acre is projected, but harvested acreage is expected to be the lowest since 1933. The average U.S. loan rate for 1982 quota peanuts is \$550 a short ton. However, price support varies by type, quality, and location. [Verner N. Grise (202) 447-8776]

Tobacco

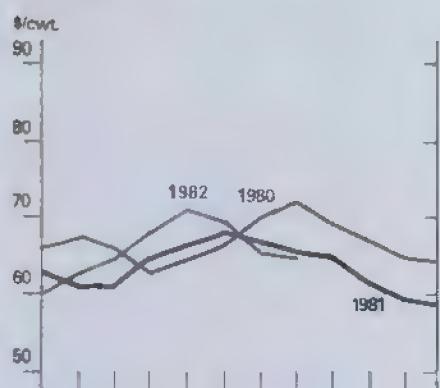
All flue-cured tobacco auctions were in progress by August 10. Prices at the end of the second week were averaging only about 2 cents a pound more than in early-August 1981. However, prices for several lower stalk grades of tobacco were less than last year. This year's flue-cured crop is described as thin bodied and less desirable than last year's crop.

Production of U.S. tobacco is estimated at 1.9 billion pounds in 1982—8 percent lower than last year, but 6 percent above 1980. Most of the decline results from less acreage and lower yields for flue-cured. Burley production is estimated at a record-high 775 million pounds.

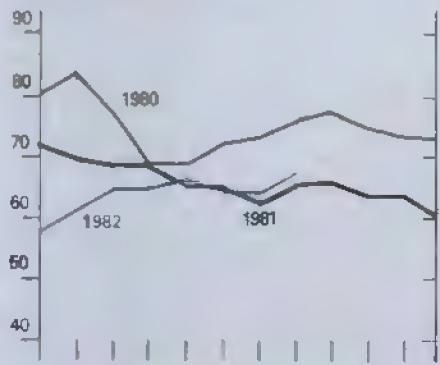
The no net-cost bill for tobacco was signed into law on July 20. Major features include provisions for grower contributions to a fund to offset government losses in operating the Federal price support program and some discretionary authority for the Secretary of Agriculture to adjust price support. Flue-cured growers will contribute 3 cents a pound to the no net-cost fund. Flue-cured support prices were lowered from the previously announced \$1.76 a pound to \$1.70—the maximum drop permitted under the new legislation. Decisions about price support and contributions to the no net-cost fund have not been made for other kinds of tobacco. [Verner N. Grise (202) 447-8776]

Commodity Market Prices: Monthly Update

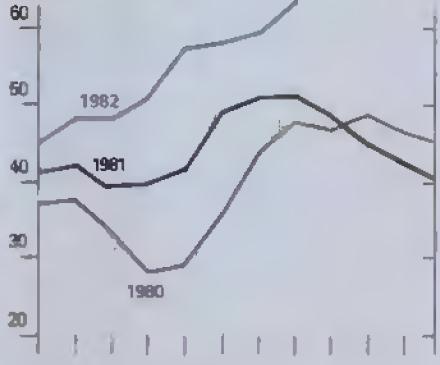
Choice steers¹



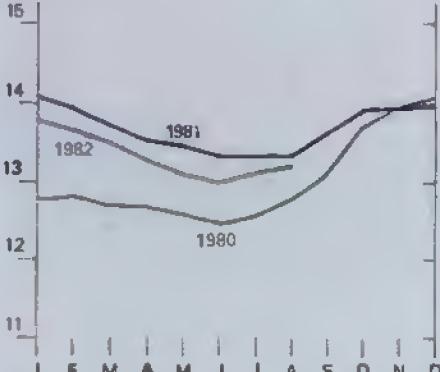
Choice feeder cattle²



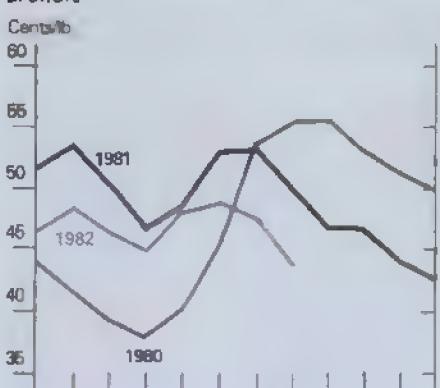
Barrows and gilts³



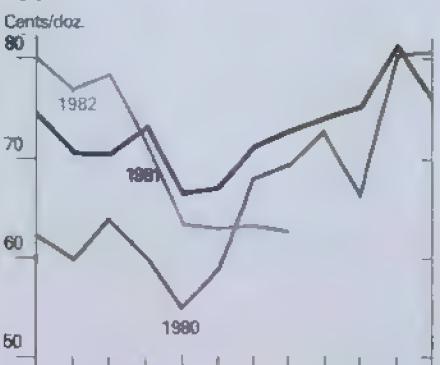
All milk



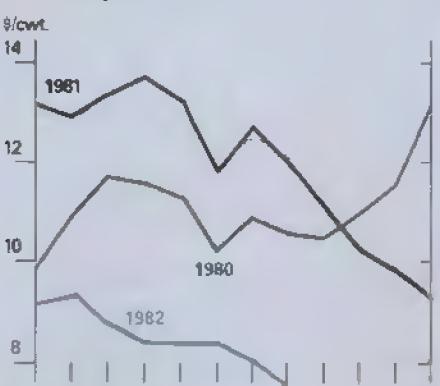
Broilers⁴



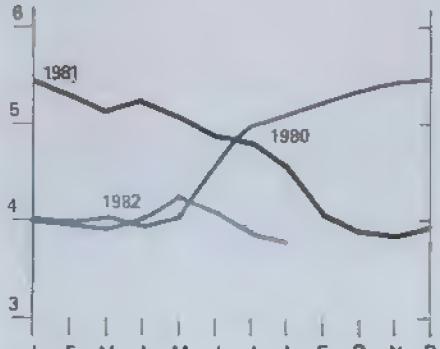
Eggs⁵



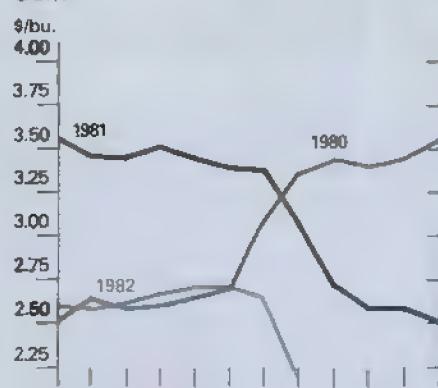
Rice (rough)



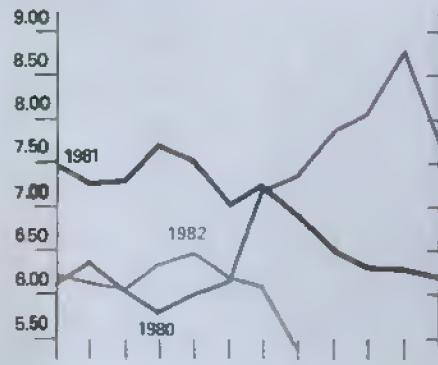
Sorghum grain



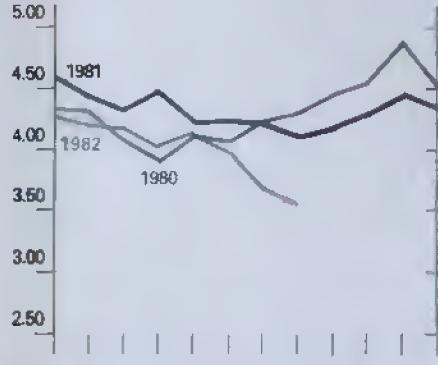
Corn⁶



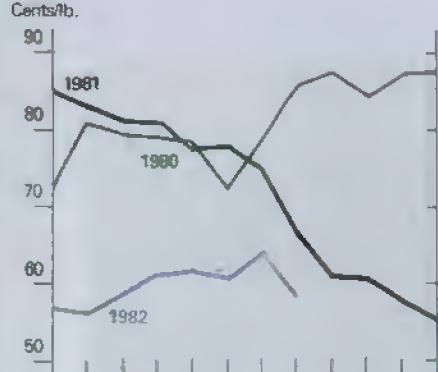
Soybeans⁷



Wheat⁸



Cotton⁹



Prices for most recent month are mid-month prices.

¹Omaha ²600-700 lb., Kansas City ³37 markets.

⁴Wholesale, New York. ⁵Grade A Large, New York.

⁶No. 2 Yellow, Chicago. ⁷No. 1 Yellow, Chicago.

⁸No. 1 HRW, Kansas City.

⁹Average spot market, SLM, 1:16.

Sugar

The world sugar surplus is greater than earlier forecast, which puts more pressure on prices. Global sugar production in 1981/82 is now projected at 97.9 million metric tons, up 1.6 million from the previous estimate. With consumption forecast at 91 million tons, the world carryover into 1982/83 will approach 7 million tons. Total ending stocks are estimated at about 28 million tons or 31 percent of consumption, far above the 25 percent considered as a good balance.

More stock building is likely in 1982/83, because world production could top 95 million tons, and sugar use may not rise above 93 million. Beet sugar output is estimated to decline about 1.5 million tons, but cane sugar may not decrease as much.

World sugar prices in August (f.o.b. Caribbean, Contract No. 11) were averaging about the same as June's 6.9 cents, down from 7.8 cents in July. Prices are expected to continue low through most of 1983, but then could start rising as world consumption begins to catch up with production in 1983/84.

Since U.S. sugar import quotas were imposed May 11, domestic prices have moved up from 17.9 cents in April to 19.6 cents in May, 21 cents in June, and 22.2 cents in July. August prices are averaging about 22.5 cents a pound. Because market prices have exceeded the domestic stabilization price by more than the trigger level, fees on imported sugar have been reduced from 3.42 cents a pound, raw basis, to 2.42 cents on July 21, to 1.42 cents on August 10, and to 0.42 on August 28.

U.S. sugar production in 1982/83 is projected at 5.7 million short tons, about 7 percent below last season. Sugar beet output, at 21.7 million tons, is 21 percent below 1981/82. The harvested area of sugar beets decreased nearly 15 percent, and the yield fell about 7 percent. While sugarcane acreage is little changed from last season, the yield is higher. At average sucrose recovery rates for the four producing States, cane sugar output could slightly exceed 1981/82's 2.8 million tons. In 1983/84, U.S. sugar production is forecast at 5.2 million tons, with an even split between beet and cane sugar.

Wholesale list prices for refined cane sugar rose about a cent in most markets during July. The average U.S. retail price of sugar rose to 34.8 cents a pound in July, up from 34.1 cents in June. Both wholesale and retail prices are expected to rise in coming months.

Prices for high fructose corn syrup (HFCS) stepped up as sugar prices strengthened. For 42-percent HFCS, July prices rose 1/2 to 1 cent from June, ranging from 15.8 to 19.4 cents, depending on the market area.

U.S. sweetener deliveries continue to favor HFCS use. Sugar consumption in 1982 is forecast at about 9.4 million tons, raw value, down from 9.77 million in 1981. HFCS use is projected at 3.1 million tons, dry basis, up from 2.67 million last year. [Robert D. Barry (202) 447-7290]

Vegetables

The prospective harvested acreage of fresh-market vegetables during the summer quarter totals 270,380, about 3 percent more than a year ago. The broccoli, carrot, and onion areas for harvest are notably higher, while the acreage for other items remains near last year.

The rise in acreage suggests larger supplies than a year ago, pushing down prices. The index of grower prices for fresh vegetables during the third quarter could average as much as a sixth lower than in 1981. Meanwhile, retail prices of fresh vegetables have averaged substantially higher so far this year. However, the anticipated larger supplies could cause a greater-than-normal seasonal decline and may temper year-to-year increases.

Mushroom production during 1981/82 totaled a record 517 million pounds, a tenth more than in 1980/81. Fresh-market production was up 15 percent. Meanwhile, output for processors rose 2 percent.

Growers of fresh-market mushrooms received an average 97 cents a pound in 1981/82, versus 92 cents a year ago. Growers of processing mushrooms got 58 cents, up 6 cents from 1980/81. The average price for all mushroom sales was an alltime-high 82 cents, up from 75 cents last year.

The data reflect structural changes in the industry. On the supply side, American mushroom canners are finding it hard to compete with lower priced imports from Asia. A recent USDA study suggested that domestic canners can't compete with imports, and that their future probably rests in an expansion of the fresh market.

Meanwhile, the market share of fresh mushrooms has grown steadily since the early 1970's, probably because of restaurant salad bars and the involvement of large food companies in the industry. As a result, 62 percent of 1981/82 production was for the fresh market, compared with only 29 percent 10 years earlier. Also, the difference between grower prices for fresh-market and processing mushrooms has widened in the last decade, from 16 to 39 cents. [Michael Stellmacher (202) 447-7290]

Fruit

This year's noncitrus production is forecast at 12.7 million tons, up almost 7 percent from last year. Despite the total increase, most crops of summer fruit are smaller than a year ago. Consequently, f.o.b. prices have largely been above 1981 levels.

Supplies of fresh noncitrus fruit this fall are expected to be substantially larger than last year. The U.S. apple crop is forecast 11 percent above 1981. Grape production is expected to be 21 percent more than last year, with California table grapes up 19 percent. However, pear output will be 17 percent less.

Because of the larger crop, f.o.b. prices for California table grapes have been substantially below a year ago.

Despite the larger crop, opening prices for Bartlett pears were well above last year, but they subsequently declined with increased volume. Supplies of Bartlett pears for the fresh market are expected to be adequate, because demand from packers probably won't be strong—a result of a larger carry-over of canned pears. With a larger crop and slack shipments of canned apples, apple prices are expected to fall during 1982/83. In addition, export demand is not encouraging, because of larger apple crops in Canada and Western Europe. [Ben Huang (202) 447-7290]



Farm Income Update

Farm Income

Indicators Decline

Key indicators for the farm sector reveal that 1982 will likely be the third straight year of depressed financial conditions for many farmers. While livestock receipts are projected to be record high this year, crop receipts will likely fall from 1981 levels, despite larger marketings, leading to lower overall cash receipts from farm marketings. So, even though production expenses will rise only modestly compared with large annual increases in recent years, net cash income for 1982 will be approximately \$31 billion, 1 percent below that for 1981. When cash receipt and expense measures are adjusted for noncash income and expenses, the resulting net farm income (before inventory adjustments) is projected to be about \$19 billion, compared with \$19.6 billion last year. Inventory adjustments this year are expected to neither add to nor detract from net farm income, leaving net farm income after inventory adjustment still at \$19 billion, down from \$25.1 billion in 1981 and \$20.1 billion in 1980.

Increases in livestock prices since the beginning of the year and moderation in increases in production expenses have improved 1982 farm income prospects. Direct government payments to farmers will also be higher than in recent years. Crop receipts will likely be lower this year, because large marketings will only partially offset lower crop prices.

Farm Income, 1979-1982

	1979	1980	1981	1982 f
Billion Dollars				
Cash receipts:				
Crops	63.1	71.7	75.0	70-74
Livestock	68.6	67.8	68.5	68-72
Total	131.7	139.5	143.5	140-144
Direct government payments	1.4	1.3	1.9	4.0-4.5
Other farm income ¹	12.6	14.1	15.8	16-18
Total gross income	145.7	154.9	161.2	161-165
Total production expenses	119.0	130.5	141.6	142-146
Net farm income before inventory adjustment	26.7	24.4	19.6	17-21
Value of inventory change	5.6	-4.3	5.5	-1-1
Net farm income after inventory adjustment:				
Current dollars	32.3	20.1	25.1	17-21
Deflated (1972) Dollars ²	19.9	11.4	13.0	8-10
Dollars				
Income per farm:				
Current dollars:				
Farm sources	13,312	8,289	10,311	7,800-8,000
Off-farm sources	13,902	15,061	16,145	16,500-17,500
Total farm family income	27,214	23,350	26,456	24,300-25,500
Deflated (1972) dollars ²				
Farm sources	8,177	4,672	5,323	3,750-3,850
Off-farm sources	8,539	8,490	8,335	7,500-8,500
Total farm family income	16,716	13,162	13,658	11,250-12,350
1977=100				
Volume of farm marketings:				
Crops	114	119	121	126-128
Livestock	100	102	102	100-102
All commodities	107	110	112	113-115

f = forecast. ¹ Income from recreation, machine hire and custom work, imputed rental value of operator dwellings, and value of farm products consumed on the farm. ² Deflated by the GNP implicit price deflator.

Net farm income has hovered around \$20 billion since the 1979 peak—a departure from the wide year-to-year fluctuations of the 1970's. Three successive years of low income have put the greatest strain on those farmers operating with large debts and, consequently, high debt-repayment commitments. This has been especially the case for grain, cotton, and soybean farmers, who have suffered natural disasters, declining market prices, or both. Cattle, hog, dairy, fruit, vegetable, and sugar producers have, in general, fared somewhat better. Geographically, the severest farm financial problems are centered in the Midwest and South, although income is generally lower in most regions.

The diversity of farms and economic conditions within the farm sector makes it necessary to examine a more complete set of economic indicators to gain a comprehensive perspective on the financial well-being of the sector. The forecasts released in this article deal only with income flows. Other measures, including debt, equity, wealth, and productivity, are released annually after complete data for the full calendar year are available.

Substantial uncertainty still surrounds many important variables that influence farm income statistics. These include 1) final crop production estimates, 2) the marketing distribution of these crops, particularly whether farmers will follow traditional market-

ing patterns or store their crops for later sale, 3) prices for crops, live-stock, and inputs in the final quarter, 4) the commodity programs to be announced later this fall for the 1983 feed grain, cotton, and rice crops, 5) direct government payments in the last half of the year, and 6) the extent to which farmers reduced input use this year. This year, crop sales may vary significantly from traditional patterns, depending on the degree of financial stress, harvest-time prices, and use of grain rotation in the farmer-owned reserve.

Cash Receipts

To Change Little in 1982

Total cash receipts are anticipated to fall about 1 percent from 1981's \$143.5 billion, as increased marketings and net loans from the Commodity Credit Corporation (CCC) are offset by lower prices. This year's receipts will be buoyed by the livestock sector, as an increase in livestock receipts will help offset lower crop receipts.

• Livestock: Receipts from livestock sales are forecast to rise 1 to 2 percent—the most substantial increase since 1979. The marketing volume of livestock and products is expected to fall somewhat from the 1981 level. However, prices are forecast to rise about 3 percent, more than offsetting the reduced marketings.

Red meat will strengthen livestock receipts most this year, with these receipts expected to rise 3 to 5 percent in 1982—reversing the declines of the past 2 years. Hogs and cattle will contribute the most to the increased receipts, as lower total meat supplies lead to strengthened farm prices. For hogs, price increases of about a fourth will offset a reduction in marketings. Marketings of cattle will be about the same as last year, while a small rise in farm prices should lead to improved prospects this year. Also, both marketings and farm prices for lambs are expected to rise, leading to increased cash receipts.

Improved 1982 receipts for poultry and eggs are not as likely. Broiler, turkey, and egg receipts may all be down slightly. Broiler production is expected to increase slightly, and the farm price may drop somewhat, leaving receipts down 2 to 4 percent. For the second

consecutive year, turkey receipts may fall 2 to 4 percent as production declines and average prices remain unchanged from 1981. Egg receipts will likely fall 4 to 6 percent, reflecting reduced production and prices that may be about the same as last year.

Five consecutive years of substantial increases in dairy receipts will likely end in 1982, but receipts will remain near last year's level. Milk production will rise because of increased cow numbers and productivity gains. However, the wholesale price of milk will fall, offsetting the gain in production.

• Crops: Cash receipts from crop marketings are expected to decline about 4 percent in 1982—the first decrease since 1977. Substantially lower prices, especially in the second-half of the year, will offset an increase in marketings from the record-large 1981 and 1982 crops. Lower prices will likely reduce receipts for most major crops, except corn, sunflowerseeds, and fruit and nuts.

Wheat, corn, and soybeans account for about half of total cash receipts from crops. U.S. producers are expected to harvest a wheat crop only 1 percent below last year's record—continuing to build stocks and pressure prices downward. With both reduced output and lower prices, cash receipts may fall by a tenth this year. For corn, farm prices are expected to be less than last year. But receipts may increase this year because of record-large marketings from huge back-to-back crops in 1981 and 1982 and the strong use of CCC loan programs. Soybean receipts will remain near their 1981 level, as large marketings offset lower prices.

Cotton, rice, peanuts, and the minor feed grains will also help reduce crop receipts this year. Cotton and peanut receipts will be substantially lower than in 1981 because of large reductions in production and sharply lower prices. Receipts for other crops, including fruit and nuts, vegetables, tobacco, and oats, are expected to either increase or remain near 1981 levels.

Sharply higher prices for citrus and noncitrus fruit will more than offset weather-reduced production, pushing up cash receipts for fruit and nuts by 8 to 12 percent. Receipts from vegetables, tobacco, and hay will remain near 1981 levels.

Direct government payments will supplement wheat, feed grain, corn, and rice receipts this year. Payments are currently forecast to range from 4 to 4.5 billion in 1982. Government payments in the first half of 1982 totaled \$1.3 billion, including deficiency payments on the 1981 cotton (\$521 mil.), sorghum (\$240 mil.), and rice crops (\$21 mil.); reserve storage payments (\$315 mil.); conservation payments (\$70 mil.); and wool price-support payments (\$45 mil.). Payments in the second half of 1982 could exceed \$2.7 billion. Deficiency payments to wheat and barley farmers for the 1982 crop add about \$500 million to the total. Advanced payments under the 1982 feed grain, cotton, and rice programs could add another \$700 million. Payments for extended storage will also add substantially to farm income this year, perhaps reaching \$400 million in the last half of 1982.

Advanced diversion and any projected deficiency payments that farmers may request at the time they sign up for the 1983 wheat and feed grain programs could shift about \$1 billion in government payments to the fourth quarter of 1982. The forecast of advanced 1983 payments is tentative and depends on projected payment rates that will be announced this fall and on the level of early signup by wheat and feed grain producers. Signups for the wheat and feed grain programs are scheduled to begin October 1, 1982.

Production Expenses Slow

Overall, 1982 farm production expenses may rise only 1 to 3 percent. If realized, this would be the smallest increase since 1964, when expenses rose only 0.7 percent. Two factors have combined to restrain the increase in 1982 expenses. First, prices paid by farmers for all items are expected to increase only 3 to 5 percent this year, the smallest rise since 1968. Price declines for feed and fuels, together with

Net Cash Income and Cash Flow, 1979-1982*

	1979	1980	1981	1982 f
Billion dollars				
Cash receipts:				
Crops	63.1	71.7	75.0	70-74
Livestock	68.6	67.8	68.5	68-72
Total	131.7	139.5	143.5	140-144
Direct government payments	1.4	1.3	1.9	4.0-4.5
Other cash income ¹	1.5	1.6	1.9	2.0-2.3
Total cash income	134.6	142.4	147.3	146-150
Total cash expenses ²	97.6	106.6	115.8	115-119
Net cash farm income	37.0	35.8	31.5	29-33
Change in loans:				
Real estate	10.9	8.6	9.3	5-9
Nonreal estate	10.0	7.1	6.2	5-9
Rental income	6.1	6.5	7.4	5-9
Total ³	64.0	58.0	54.4	51-55
Capital expenditures	19.9	18.2	17.6	16-18
Net cash flow	44.1	39.8	36.8	34-38
1977=100				
Prices received by farmers:				
Crops	116	125	134	118-122
Livestock	147	144	143	145-149
Total	132	134	138	132-136
Prices paid by farmers for commodities and services, interest, taxes and wages	123	138	150	154-157

f = forecast. *The receipts used in this table include CCC loans, ¹ Income from recreation, machine hire and custom work. ² Does not include expenses associated with farm operator dwellings.

³ Sum of total cash income, change in loans, and rental income.

relatively small price increases for feeder livestock, fertilizer, and most other input items, are responsible for the moderate change in overall farm input prices. Second, farmers are expected to reduce the use of nearly every input except feed, feeder livestock, repairs on machinery, and credit. Major reasons for the expected reductions in input use include high interest rates, 2 years of reduced cash income, and a decrease in planted acreage.

Outlays for farm-origin inputs may drop slightly in 1982, reflecting a decline in feed expenses. Feed use is expected to rise somewhat, as increased cattle feeding and a large dairy herd outweigh a reduced hog inventory. Nevertheless, the decline in feed prices

will leave expenses below those of 1981. Expenses for feeder livestock will likely rise, as increased movement of cattle offsets a decline in hog movements. Prices of feeder cattle and pigs are expected to rise somewhat. Seed expenses are forecast to be slightly higher than last year, as reduced use is offset by a small increase in prices.

Because of reduced use, expenses for manufactured inputs, such as fuel and energy, fertilizer, and chemicals, may fall this year. Sharp reductions in purchases of potash and phosphates will lower expenses, despite slightly higher prices for mixed fertilizer. Outlays for

fuel may drop because of both reduced use of gasoline and diesel fuel, and slightly lower average prices. But, expenses for agricultural chemicals may rise as higher prices offset lower applications.

Interest expenses may provide much of the upward push on total expenses in 1982. Mortgage interest charges are expected to rise more than nonreal estate interest charges, because both the average debt outstanding and the average interest rate on it will rise faster than nonreal estate debt. Reductions in input use and machinery purchases will likely restrain the rise in nonreal estate debt. Nominal farm interest rates are currently expected to increase slightly this year. As a result, the average interest rate on all debt outstanding will climb, because new loans will carry a higher rate.

Depreciation expenses should rise at a somewhat slower pace in 1982, as capital expenditures fall and machinery prices moderate from 1981's high levels. Outlays for hired labor will probably not rise much, as farm wage rates moderate and the amount of labor used declines. The reduced amount of labor needed to harvest the sharply lower fruit crop will contribute to the decline in labor hours. Net rents will also likely fall, as lower prices reduce share rents.

Capital Expenditures

To Fall

Capital expenditures in the farm sector are expected to decline for the third straight year, after peaking at \$21 billion in 1979. This year, capital expenditures (including operator dwellings) are projected between \$17 and \$19 billion. With farm prices and net cash income likely to fall again, the volume of machinery sales and building construction may also drop. For the first 6 months of 1982, retail sales of all major farm equipment stayed well below year-earlier levels. These sales will likely remain depressed through the first part of 1983, because of low farm prices. Construction of new farmhouses and other farm buildings also depend on available cash. Since net cash income and cash flow have been falling for 3 years and interest rates are high, it is unlikely that farmers will invest much in buildings this year. (Gary Lucier and Allen Smith (202) 447-4190)



World Agriculture and Trade

EXPORT UPDATE

Exports Forecast at \$40.5 Billion in Fiscal 1982

U.S. agricultural exports are expected to fall 8 percent in fiscal 1982, to \$40.5 billion. This would mark the first year-to-year decline in the value of farm exports since 1969, despite record volume projected at 165 million tons. Another bumper U.S. harvest has put additional downward pressure on export prices. Imports are forecast at about \$15 billion, also a decline, pushing the U.S. agricultural trade surplus below \$26 billion, down from last year's record \$26.6 billion.

Economic stagnation and exchange-rate adjustments have dominated the U.S. export picture for the past 18 months. The economic slowdown has gradually affected consumer demand, particularly for products such as meat. Interest rates, presently 2 to 3 percentage points above inflation rates in many developed countries, imply a real cost in borrowing, which has had a significant impact on stockholding policies in the short term. Exporters, especially the United States, are being forced to hold relatively higher stocks.

Nonetheless, the outlook for these economic indicators appears more favorable for next year, and this may stimulate demand for U.S. agricultural exports through fiscal 1983. A U.S.-led economic recovery is expected in late 1982, following the tax cut in July.

U.S. Agricultural Exports

	October-June		October-September	
	1980/81	1981/82	1980/81	1981/82 F
\$ bill.				
Grain and feed	17.015	14.231	21.900	18.7
Wheat & flour	5.742	6.016	7.965	8.1
Rice	1.222	.903	1.537	1.2
Feed grains	8.534	5.836	10.408	7.4
Corn	7.424	4.998	8.966	6.3
Oilseeds & products	7.843	8.049	9.400	9.7
Soybeans	5.060	5.362	5.986	6.4
Soybean cake & meal	1.371	1.260	1.599	1.5
Soybean oil . . . . .	.327	.315	.457	.5
Livestock & products	2.494	2.492	3.136	3.2
Poultry & products . . . . .	.587	.471	.765	.6
Dairy products . . . . .	.164	.301	.251	.4
Horticultural products	2.380	2.225	3.084	3.0
Tobacco	1.057	1.259	1.339	1.6
Cotton & linters	1.959	1.812	2.248	2.1
Seeds . . . . .	.251	.257	.282	.3
Sugar & tropical products	1.060	.672	1.372	.9
Total	34.809	31.768	43.780	40.5

Million metric tons¹

Grain and feed:

Wheat	29.244	34.450	42.246	46.8
Wheat flour . . . . .	.768	.740	1.290	1.4
Feed grains	55.219	47.467	69.118	62.0
Corn	48.310	40.995	59.368	52.7
Feeds & fodders	4.448	4.663	5.820	5.6
Rice	2.562	2.213	3.172	2.8
Oilseeds & products:				
Soybeans	16.643	20.871	19.972	25.0
Soybean cake & meal	5.211	5.424	6.149	6.4
Soybean oil . . . . .	.510	.601	.739	.9
Sunflowerseed	1.171	1.418	1.426	1.6
Sunflowerseed oil . . . . .	.226	.093	.301	.2
Other oilcakes & meal . . . . .	.335	.252	.441	.4
Beef, pork, & variety meats . . . . .	.306	.312	.447	.4
Poultry meat . . . . .	.306	.259	.395	.3
Animal fats	1.188	1.160	1.536	1.6
Tobacco . . . . .	.204	.217	.252	.3
Cotton & linters	1.093	1.287	1.265	1.5
Horticultural products	2.645	2.777	3.405	3.5
Other	3.583	3.085	4.639	4.1
Total	125.662	127.289	162.613	164.8

F = Forecast. ¹ Shown in actual export tonnages not converted to product equivalents. Excludes animal numbers and some commodities reported in cases, pieces, dozens, liquid measures, etc.

However, the concern at this point is whether interest rates will choke off the expected economic recovery. Agricultural exports in the upcoming year will once again be based on record export volume and weak prices. Volume in fiscal 1983 is projected to exceed 170 million tons, hinging on a recovery in corn exports, with continued high export volumes of other major commodities. The expansion in export volume, combined with domestic price support, could mitigate price declines. However, the outlook for export prices is highly uncertain.

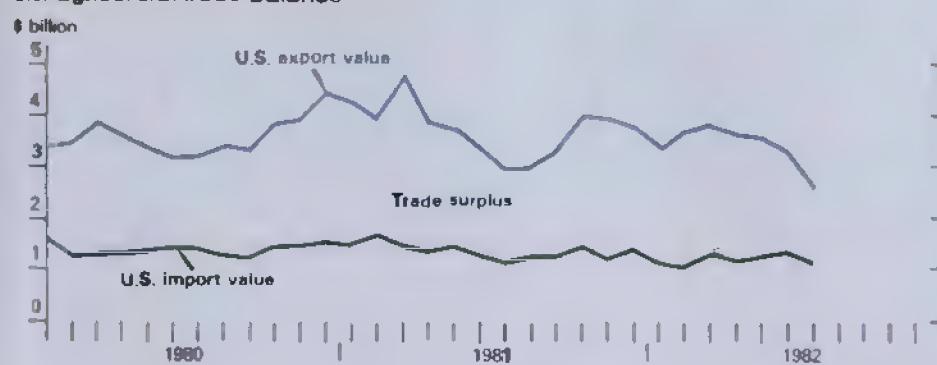
October-July Exports

Dropped

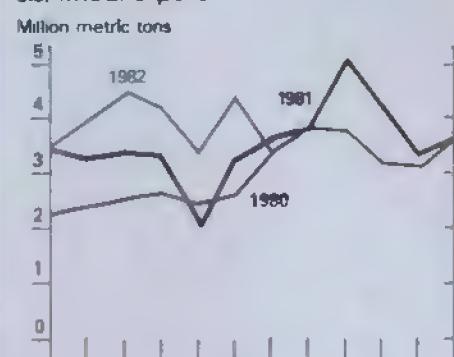
During the first 10 months of fiscal 1982, the value of agricultural exports fell 9 percent to \$34.2 billion. While volume was 1 percent higher—137.6 million tons—prices for nearly all major commodities were lower than a year ago. Lower prices—both at the farm and export terminals—were a result of large U.S. and global supplies, a stagnant economic performance worldwide, the increased real cost of borrowing money, and the stronger dollar. For example, at the end of January 1981, the Japanese could buy a

U.S. Agricultural Trade Indicators

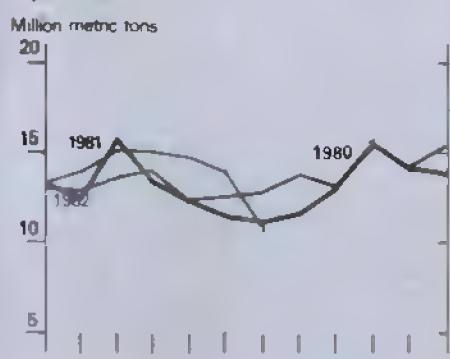
U.S. agricultural trade balance



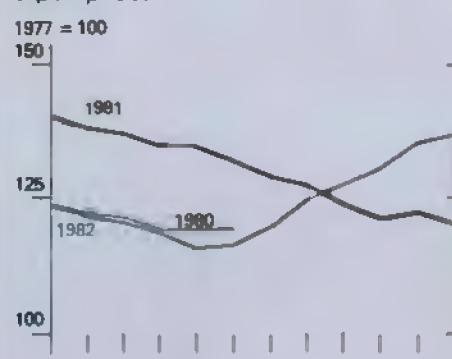
U.S. wheat exports



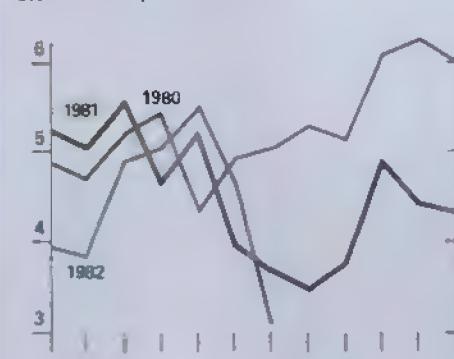
Export volume



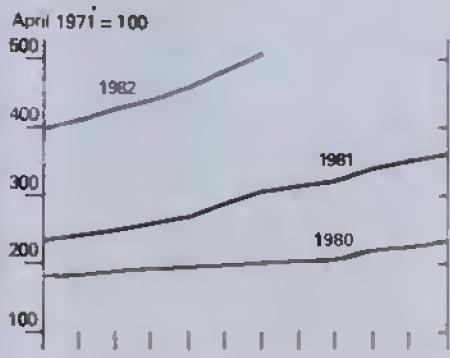
Export prices



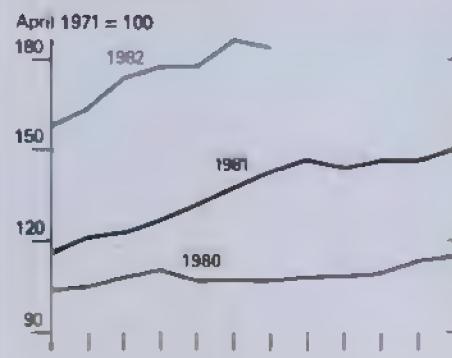
U.S. corn exports



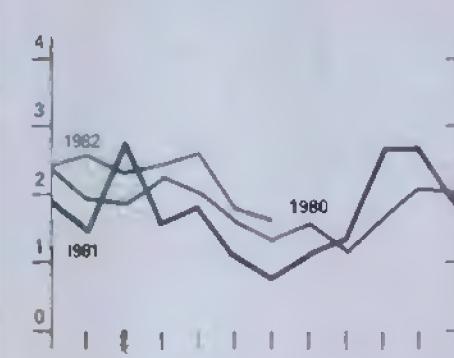
Wheat exchange rate*



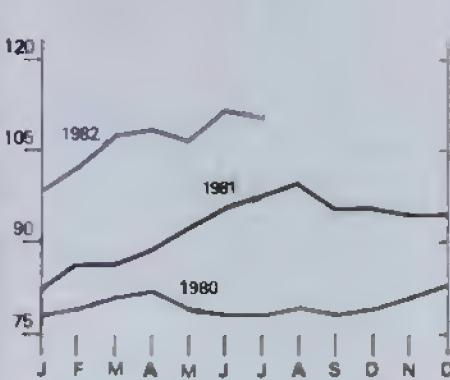
Corn exchange rate*



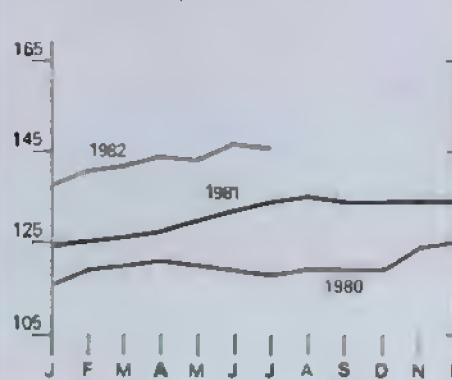
U.S. soybean exports



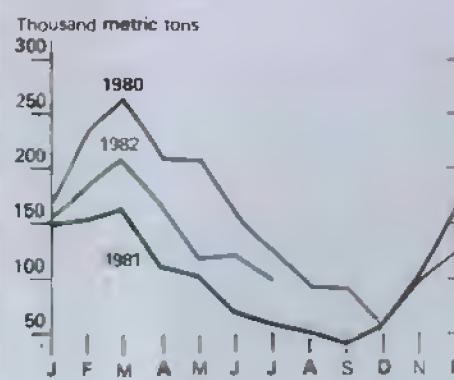
Soybeans exchange rate*



Cotton exchange rate*



U.S. cotton exports



*Foreign currency value of U.S. dollar, weighted by relative size of agricultural trade with the United States. An increasing value indicates that dollar has appreciated against the basket of currencies represented in that particular commodity market.

bushel of U.S. corn at the Gulf of Mexico for the equivalent of 725 yen. In June 1982, the cost in yen was unchanged, but the price of U.S. corn at the Gulf had fallen from \$3.55 to \$2.95 a bushel.

Commodity Outlook Is Mixed

As fiscal 1982 progressed, it became apparent that soybeans would be a major factor in the export picture. After a woeful year in fiscal 1981, soybean exports are now projected to exceed 25 million tons—a 25-percent increase from last year and 5 percent above the fiscal 1980 record. Fiscal 1983 exports may approach 26 million tons. Much of this increase can be attributed to internal pricing policies in the European Community (EC), where soybean meal is currently less expensive to feed than corn. The EC purchases nearly half of all U.S. soybeans and over half of U.S. soymeal exports.

Corn exports had moderate success in late spring and early summer but have since returned to a sluggish pace of 25 to 30 million bushels a week. In the 2 years before the slump that began in June 1981, corn exports averaged close to 45 million bushels a week. Although the most noted reason for the slow movement this summer has been the absence of Soviet purchases, Mexican imports are down more than 3 million tons this year. Japan, Poland, Romania, Brazil, and Italy have also reduced their purchases of U.S. corn by more than half a million tons each this year. Feed grain exports are now expected to fall to 62 million tons in fiscal 1982, with an increase of around 10 percent projected for next year.

Wheat exports slowed only slightly before harvest time and are expected to average close to 4 million tons a month for the rest of fiscal 1982. The USSR, China, Japan, Brazil, Egypt, and South Korea remain the largest markets, with no significant changes in the relative shares expected next year. U.S. wheat exports are forecast to continue record-large in fiscal 1983. Canada will be pushing wheat exports this season, but Australia is expected to harvest its worst wheat crop in 5 years this December.

Cotton exports have met with mixed success so far in 1982. Price declines of more than \$500 a ton have made U.S. cotton more competitive. These low prices, combined with large supplies entering the export season, are expected to push U.S. cotton exports to 1.5 million tons valued at \$2.1 billion. Japan, Korea, Taiwan, and Indonesia have expanded their purchases this year, while China's import needs have dropped because of a large 1981 crop. Export volume is expected to remain about the same next year.

Exports of animals and animal products, which make up roughly a tenth of all agricultural exports, are presently running slightly ahead of last year's pace and are expected to continue to do so for the remainder of 1982. Butter sales to New Zealand and Poland, a recovery in cattle hide exports—approximating the boom years of 1978-80—and large red meat exports have barely offset reduced poultry shipments and lower prices across the board.

Horticultural products—fruit, nuts, and vegetables—account for approximately 7 percent of U.S. farm exports, a share that has more than doubled in the past 10 years. While the major buyers have been Canada, Western Europe, and Japan, taking 70 percent in 1981, developing countries in East Asia (such as Hong Kong and Taiwan) and the Middle East (particularly Saudi Arabia) have become growing markets for many selected products, such as apples, oranges, and grapes. Exports of these products are expected to rise marginally in 1982 and again in 1983.

Regional Outlook for Fiscal 1983 Is Varied

Fiscal 1983 exports to the developed countries may remain near this year's \$20 billion. Sluggish economic recovery is restraining demand for imported foods and raw materials, as well as livestock feed. In the EC, little growth in the livestock sector is likely before mid-1983, although consumption is shifting from beef to pork and poultry. Profitability is improving for Japanese livestock producers, and the output of meat and eggs is forecast up in 1982 and 1983. U.S. soybean exports to developed markets will remain

heavy at least through the early months of fiscal 1983. Feed grain exports may increase to most areas, except Spain and Portugal. Cotton, tobacco, and rice shipments may decline in volume, but volume and value gains are projected for fruit and nuts.

Exports to the centrally planned countries may increase in fiscal 1983. The major factors will be crop development, the U.S. share of the Soviet and Chinese markets, availability of credit for Eastern Europe, and prices for U.S. grains and cotton. The United States has offered, and the Soviet Union has accepted, a 1-year extension of the grain agreement, currently in its sixth year. Soviet grain imports in 1982/83 are expected to match the 1981/82 record, and large U.S. exports are foreseen. Chinese grain imports are expected to increase, but the U.S. share is uncertain. Eastern Europe's agricultural imports will likely decline further because of high debt repayments, disappointing exports, and lack of credit.

Exports to the developing countries could rebound in fiscal 1983. Economic expansion in the Far East will spur imports of raw materials, food, and feedstuffs. Although shipments to several low-income countries in Africa may decline, significant volume increases are expected for most commodities.

Shipments to the Middle East are forecast to recover as the U.S. market share improves. Expanded wheat and tallow exports to Pakistan may maintain the value of exports to South Asia, along with a large wheat sale to India. Exports to Mexico will likely recover somewhat next year because of the recently announced extension of \$1 billion of Commodity Credit Corporation credit. Little growth is expected in shipments to other Latin American countries.

Imports Forecast Down.

15 Percent in 1982;

Higher in 1983

Offsetting changes in the last few months have kept the forecast for U.S. agricultural imports at about \$15 billion for fiscal 1982. Lower prices, in addition to import quotas on sugar, are expected to result in a \$1 billion decline in total import value. Continued depressed prices for cocoa products and rubber have likewise contributed to a \$400 million decline in the combined forecast for these products. On the other hand, coffee imports are not expected to drop as much as had been projected earlier, and meat imports from Australia have picked up significantly, because poor forage conditions in that country have led to higher-than-expected slaughter.

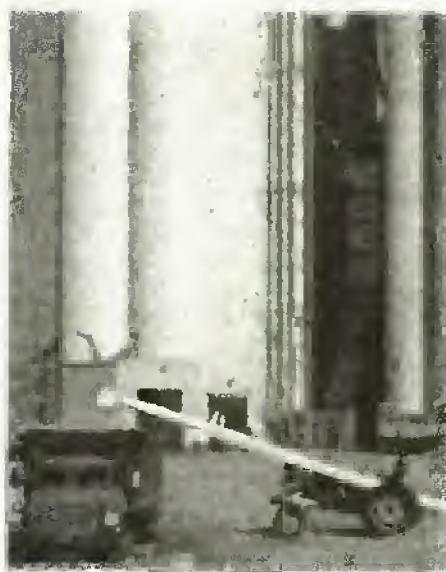
Fiscal 1983 agricultural imports could match or exceed this year's value. Some increase in import unit values is anticipated, following this year's decline of nearly 15 percent. While world cocoa and sugar supplies will remain large, coffee supplies will become less so because of the reduced world production expected in 1982/83. Meat imports may continue near this year's level. [Steve Milmoe (202) 447-8054 and Sally Byrne (202) 447-8857]

Upcoming Situation Reports

USDA's Economic Research Service will issue the following situation reports this month:

Title	Summary Released
Livestock & Meat	Oct. 6
World Crop Production*	Oct. 12
Ag Supply & Demand*	Oct. 13
Fats & Oils	Oct. 15
Ag Supply & Demand*	Oct. 22

All reports are reviewed by the World Agricultural Outlook Board (WAOB). Copies of the full reports will be available a week to 10 days after the summary is released. Reports available through subscription only. For subscription information, write or call: EMS Information, Rm. 440 GHI Bldg, 500 12th St. SW, Washington, D.C. 20250 (202) 447-8590. *These reports, released by the WAOB, are issued in full on the date indicated.



Storage and Transportation

Storage Problems in Prospect

Because of record corn and soybean crops and a near-record wheat crop, it appears the Nation's transportation system and grain storage facilities will be under some pressure to handle the load. Localized problems can be expected.

A special analysis of 16 States accounting for a majority of storage suggests that most on-farm facilities could be filled during harvest—except in Oklahoma, North Dakota, and Montana, which should have substantial surplus on-farm capacity. Only Indiana and Ohio are likely to have the most severe storage problems. Although total excess storage capacity may be 1.5 billion bushels, primarily off-farm, it will not necessarily be convenient to areas with shortages.

Transportation Capacity

More than Able

To Meet Demand

As off-farm facilities fill, it will become necessary to move grain to States with surplus storage capacities. Total demand for transportation to move this grain is estimated at about 500 million bushels. This is the equivalent of more than 150,000 jumbo-sized cars of grain.

In the past, U.S. railroads have transported more than 34,000 cars a week with an inventory of 213,000 hopper cars. During the first half of 1982, about 25,000 cars of grain were shipped each week, 9,000 a week below what could be readily accommodated. In addition, the inventory of jumbo covered hopper cars has increased by 20,000, and most of these have been idle during 1982. This suggests that loadings of at least 34,000 cars a week could be sustained for several months. During a 10-week harvest period, a total of 340,000 cars could be shipped by railroads.

The barge industry, which has been carrying nearly 40 million bushels of grain and soybeans each week, estimates that 30 to 35 percent of its fleet is currently idle. It therefore appears that the combined rail, truck, and barge transportation industries have sufficient capacity to meet the anticipated demand. Nevertheless, should movements from areas expecting tight storage be delayed until peak harvest, the resulting demand for rail cars could result in localized car shortages which are expected to occur more frequently than during last year.

Truck and barge rates and, to a lesser extent, rail rates, are expected to increase substantially from current levels. Railroads now have considerable rate-making freedom because of the Staggers Rail Act of 1980, so they can adjust rates to meet new movement patterns. Further, the act permits shippers and railroads to enter into short-term contracts tailored to special or unusual situations. [T.Q. Hutchinson (202) 447-8487]



Agricultural Policy

Omnibus Budget Reconciliation Act

In August the Congress passed and sent to the President the Omnibus Budget Reconciliation Act of 1982. This act would affect programs and spending throughout the Government, but for agriculture it would alter several of the provisions of the Agriculture and Food Act of 1981, which became effective last December.

Changes in the Dairy Program

The minimum price-support for milk containing 3.67 percent milkfat would remain at \$13.10 per cwt through September 30, 1984. The minimum support level for fiscal 1985 would be set at the same level of parity that \$13.10 will represent on October 1, 1983. However, starting on October 1, 1982, the Secretary would be able to make an assessment of 50 cents per cwt on all milk that producers market commercially, if net price-support purchases are estimated at 5 billion pounds or more (milk equivalent) during a fiscal year.

The Secretary would also have the authority to make an additional 50-cent assessment starting on April 1, 1983, if estimated Federal purchases are 7.5 billion pounds or more during a fiscal year. But, the Secretary could only use this authority if a program has been established in which dairy producers may receive refunds of the second

assessment if they reduce their marketings. The Secretary would establish a base period—either marketings in fiscal 1982 or the average of fiscal 1981 and 1982—to determine if reductions have actually occurred.

Finally, the Secretary would be given additional authority to donate dairy products to needy households in the United States. The Secretary would also be able to donate dairy products through foreign governments and humanitarian organizations to the needy in other nations. These donations would be in addition to regular PL-480 shipments. The Commodity Credit Corporation (CCC) would be authorized to pay for certain costs of the donations.

Wheat, Feed Grains, Upland Cotton, and Rice

• **Advance Deficiency Payments:** For the 1982 crops of wheat, feed grains, upland cotton, and rice, the Secretary

would be directed to make advance deficiency payments at 70 percent of the formula rate (payment rate times the farm program acreage times the farm program payment yield) to eligible producers. For 1983 crops, advance deficiency payments would be mandated if an acreage reduction program is in effect and deficiency payments are expected. No payments would be made before October 1, 1982.

For the 1984 and 1985 crops of wheat, feed grains, upland cotton, and rice, the Secretary would decide whether to make advance payments. The maximum advance payment for 1983-85 crops would be set at 50 percent of the formula rate. Once actual deficiency payments are determined, producers would have to repay any excess. Producers found not in compliance with an acreage reduction program would have to repay any advance plus interest.

designated for conservation use through the 1985 crop year.

Producers may obtain advance deficiency and diversion payments when they sign up for the program. The signup period will start on October 1, rather than September 7, and will continue through March 31, 1983. Producers who receive advances but then do not comply with the program will have to repay the advances plus an interest charge equal to 5 percentage points above the effective interest rate for crop loans at the time of the advance.

In addition, there will be new rotation provisions for crops in the farmer-owned reserve. Starting with the 1983 crop, rotation will only be available to replace grain going out of condition. The replacement grain must be entered into reserve storage within 15 days of removal and can be either grain producers have on hand, buy, or take from their new crop.

The signup for the 1983 feed grain programs will also begin on October 1. Provisions for these programs will be announced in September. The signup for the 1983 rice and upland cotton programs will be announced in the future.

• **Loan Levels:** The minimum loan for the 1983 wheat crop would be increased from \$3.55 to \$3.65 a bushel. The minimum loan for corn would be raised from \$2.55 to \$2.65 a bushel.

• **Acreage Reduction Programs:** For 1983 crops, the Secretary would establish a 20-percent acreage reduction program for wheat, 15 percent for feed grains, and 20 percent for rice. Producers would have to participate in the programs to be eligible for loans, purchases, and payments. In the case of wheat and rice, three-quarters of the reduction will be in an acreage limitation program, while the remaining quarter will be in a paid diversion program. For feed grains, two-thirds will either be in an acreage limitation program (as under the 1982-crop program) or a set-aside program (similar to those established for the 1978 and 1979 crops), at the Secretary's discretion, with the remaining third in a paid diversion program. The 1983 acreage base for wheat, feed grains, and rice will be the same as that used for the 1982 programs, with adjustments for established crop-rotation practices. Also, the Secretary has authority to make other adjustments to establish a fair and equitable base. The reduced acreage must be devoted to approved conservation uses.

The 1982 Budget Act also specifies diversion payment rates. The minimum payment for wheat would be \$3 a bushel, corn \$1.50 a bushel, and rice \$3 per cwt. However, the Secretary would be able to reduce the minimum by as much as 10 percent if it is determined that the same objectives could be met with a lower rate. The Secretary is to set payments for grain sorghum, oats, and, if applicable, barley at levels that are fair and reasonable in relation to corn. In all cases, the Secretary must make at least 50 percent of any diversion payment available as soon as possible after diversion contracts are signed, but not before October 1, 1982. Any producer failing to comply with the acreage reduction requirement would have to repay the advanced payment plus interest.

Agricultural Export Promotion

The act mandates the Secretary to use \$175 to \$190 million of CCC funds for additional export activities authorized by law. [Richard Rizzi (202) 447-4943]



Recent Publications

USDA's Economic Research Service publishes a number of research reports, statistical supplements, handbooks, and other periodicals that may be of interest to you as an *Agricultural Outlook* reader.

New Reports—GPO

The following reports are available FOR SALE ONLY from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. Order by report title and number. Make checks payable to Superintendent of Documents. Prices subject to change. For further information call (202) 783-3238.

Major Uses of Land in the United States: 1978. (AER-487) 28 pp., 1982. Price: \$3.25.

New Technologies to Raise Agricultural Efficiencies. (AIB-453) 48 pp., 1982. Price: \$4.50.

Developments in the Common Agricultural Policy of the European Community. (FAER-172) 88 pp., 1982. Price: \$5.50.

Couponing's Growth in Food Marketing. (AER-486) 24 pp., 1982. Price: \$3.25.

Northern Great Plains Coal Mining: Regional Impacts. (AIB-452) 48 pp., 1982. Price: \$5.00

Supplement for 1982 to Statistics on Cotton and Related Data, 1960-78. (SB-617) 96 pp., 1982. Price: \$5.50.

New Reports—NTIS

The following reports are available FOR SALE ONLY from NTIS, 5282 Port Royal Road, Springfield, VA 22161. Order by report title and PB number. Indicate paper copy (PC) or microfiche (MF). For further information, call (703) 487-4650.

Provisions of the Agriculture and Food Act of 1981. (AER-483) 46 pp., Price: PC \$7.50; MF \$4.00. PB82-165457

Applying the Economic Threshold Concept to Control Lesion Nematodes on Corn. (TB-1670), 36 pp., Price: PC \$7.50; MF 4.00. PB82-174103.

Farm Pesticide Supply-Demand Trends 1982. (AER-485), 28 pp.,

Price: PC \$7.50; MC 4100. PB82-193467.

U.S. Fresh Market Vegetable Statistics, 1949-80. (SB-688) 11 pp., Price: PC \$12.00; MF \$4.00. PB82-210121.

Consortium on Trade Research: Agricultural Import Demand in Low-Income, Middle-Income, and Centrally Planned Countries. (FAER-173) 40 pp., 1982. Price: PC \$7.50; MF \$4.00. PB82-253683.

World Indices of Agricultural and Food Production, 1972-81. (SB-689) 172 pp., 1982. Price: PC \$15.00, MF \$4.00. PB82-244021.

Free Reports

Single copies of the following publications are still available free, while supplies last. To order, write directly to ERS Publications, Rm. 0054-South, USDA, Washington, D.C. 20250. Order by publication number and provide your zipcode. For further information, call (202) 447-7255.

Productivity Potential in Dry Grocery Warehouses. (AER-484).

An Evaluation of U.S. Grain Reserve Policy, 1977-80. (AER-481).

Performance of Futures Markets: The Case of Potatoes. (TB-1636).

Farm Commodity Programs: Who Participates and Who Benefits? (AER-474).

Inflation: A Food and Agricultural Perspective. (AER-463).

Another Revolution in U.S. Farming? (AER-441).

Economies of Size in U.S. Field Crop Farming. (AER-472).

Effectiveness of Federal Marketing Orders for Fruits and Vegetables. (AER-471).

Economic Effect of Terminating Federal Marketing Orders for California-Arizona Oranges. (TB-1664).



General Economy

Preliminary estimates indicate that real GNP grew slightly during the second quarter, following sharp declines in the first quarter of this year and the fourth quarter of 1981. However, the slight turnaround was largely due to a slower rate of inventory run-offs, rather than an increase in sales. A similar situation is expected in the third quarter.

Based on the tax cut, sales are expected to strengthen in the fourth quarter. Through 1983, economic recovery will likely be sluggish by historical standards, with growth in real GNP and per capita disposable incomes projected at 2.5 to 4.5 percent. This is about one-half the growth rate of typical recoveries, reflecting continued high real interest rates. Although rates declined sharply in midsummer, they are expected to rise again because strong credit demand—including a large Federal deficit—will conflict with the Fed's tight-credit policy.

Inflation To Remain Low, Unemployment To Stay High through 1983

Even with an assumed economic recovery, inflation is not expected to heat up in 1983. Although unemployment may improve somewhat, it will remain high enough to prevent a sharp escalation in wage demands. Likewise, sufficient slack in industrial capacity will allow for expansion without upward pressure on costs. The combination of lower wage increases and some

expansion-led productivity gains is expected to keep inflation at 5 to 6 percent in 1983. A slower increase in unit labor costs will offset the rebuilding of profit margins and allow room for higher raw commodity prices without rekindling overall inflationary pressures.

Investment To Lag Behind Recovery

Despite incentives passed as part of the Economic Recovery and Tax Act of 1981, other factors are dampening investment demand. Low capacity utilization, high interest rates, and weak cash flow are preventing an investment-led recovery. If consumer demand strengthens, then business can expand production within existing capacity. This, in turn, will generate improved cash flow, which when combined with continued strength in consumption, will eventually cause investment spending to accelerate the recovery. Most analysts believe that this scenario will not occur until the second half of 1983—a full year after the expected consumer-led recovery.

Exports To Resume

Sluggish Growth

Two factors are likely to prevent a strong recovery in U.S. exports. The first and most important factor is the expected sluggish growth for the world economy, which is projected at only 3.4 percent in 1983. The economy of Western Europe is expected to grow 2.5 percent, Japan 4 percent, the developing nations 5.5 percent, and centrally planned economies 2.4 percent. Slow growth in worldwide real income implies only sluggish growth for U.S. exports.

The second factor expected to dampen export growth is a continued strong dollar in international currency markets. One reason for the strong dollar is high real interest rates on U.S. securities. Even if U.S. rates fall somewhat, foreign rates will likely follow suit, leaving the differential relatively unchanged. Another reason is the high degree of worldwide economic and political instability, which makes U.S. dollars more attractive. Most likely, the dollar will only weaken slightly from the 10-percent rise (on a trade-weighted basis) expected for 1982.

National Income and Product Accounts Revised to 1977

The U.S. Department of Commerce recently published revisions to the National Income and Product Accounts going back to 1977. Not surprisingly, the revisions show a weaker economy than indicated by previous data. For 1981, real GNP was revised downward by about \$8 billion (1972 dollars), but real disposable personal income was revised upward by about \$3 billion. Although real income was higher, consumption was about \$11 billion lower—implying a sharply higher saving rate than previously estimated, up from a preliminary 5.3 percent to a revised 6.4 percent, closer to the historical average. Also, spending for plants and equipment—fixed nonresidential investment—was revised upward by \$10 billion, casting some doubt on the theory that the economic problems of the last few years were largely caused by a lack of adequate savings and investment. Finally, net exports were revised downward by \$3 billion, inventory investment was revised upward by \$2 billion, and total government purchases of goods and services were revised downward by about \$5 billion. [Paul Prentice (202) 447-2317]

Upcoming Crop Reporting Board Releases

The following list gives the release dates of the major Crop Reporting Board reports that will be issued by the time the *October Agricultural Outlook* comes off press.

September

28 Potatoes & Sweetpotatoes
30 Agricultural Prices

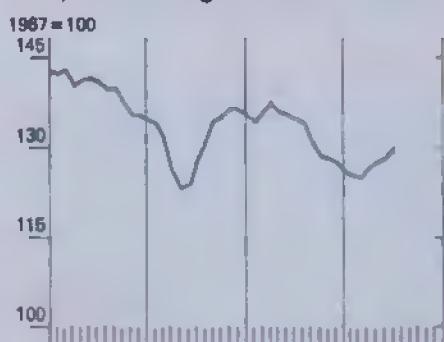
October

1	Poultry Slaughter
7	Egg Products
8	Vegetables
12	Crop Production
13	Milk Production
19	Cattle on Feed
	Cold Storage
20	Eggs, Chickens, & Turkeys
21	Grain Stocks
	Rice Stocks
22	Livestock Slaughter

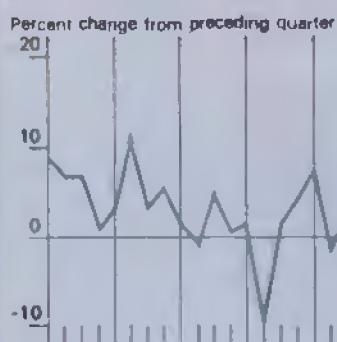
Reports available through subscription only. For subscription information, write or call: Jerry Clampet, SRS-Crop Reporting Board, Rm. 5809-South Bldg., Washington, D.C. 20250 (202) 447-2130.

General Economic Indicators

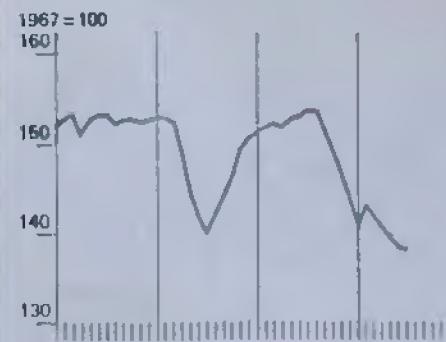
Composite leading economic Indicators



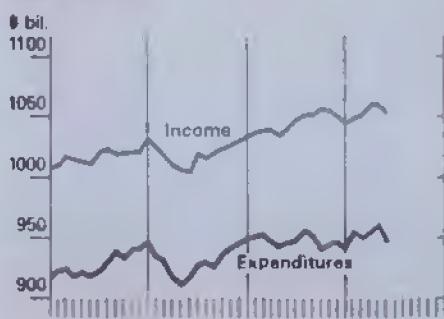
Gross national product¹



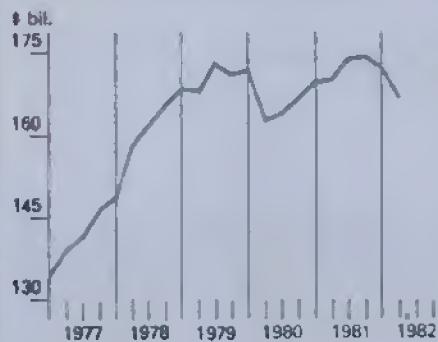
Industrial production



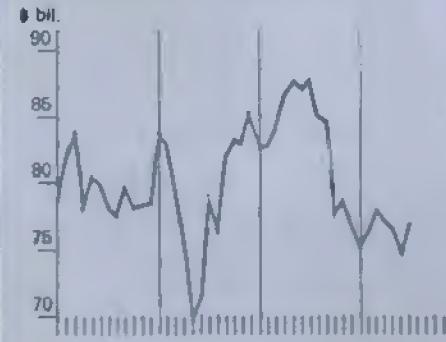
Disposable income and consumption expenditures²



Nonresidential fixed investment²



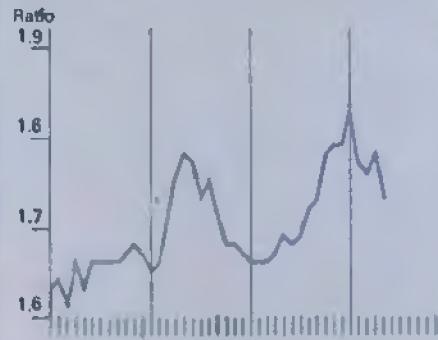
Manufacturers' durable goods orders³



Consumer price index



Inventory/sales⁴



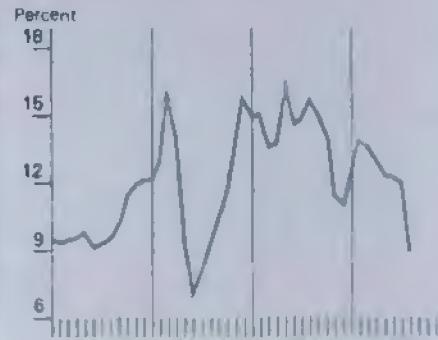
Unemployment rate⁵



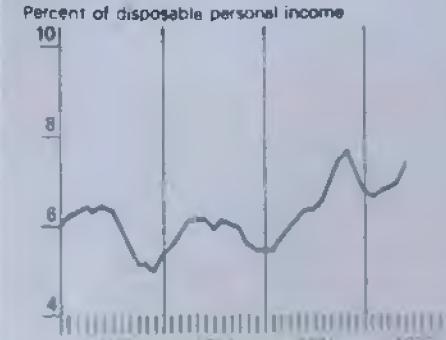
Money supply (M1)



3-month treasury bill rate



Savings rate⁶



¹Percent change from previous quarter in 1972 dollars. Seasonally adjusted annual rates. ²Billions of 1972 dollars, seasonally adjusted at annual rates.

³Nominal dollars. ⁴Manufacturing and trade, seasonally adjusted; based on 1972 dollars. ⁵Seasonally adjusted. ⁶Calculated from disposition of personal income in 1972 dollars, seasonally adjusted at annual rates. Sources are: U.S. Dept. of Commerce, U.S. Dept. of Labor, and the Board of Governors of the Federal Reserve System.



High-Value Farm Products: Outlook for the 1980's

High-Value Farm Products: Outlook for the 1980's

Developments during the 1970's led to the emergence of two distinct world markets for farm products—one for bulk, low-value products (LVP's) and one for high-value, generally processed products (HVP's). World agricultural trade grew more than 17 percent a year over the last decade, to \$230 billion in 1980, almost 55 percent of which was HVP's. This is roughly the reverse of 1970, when LVP's took the larger share.

Demand for Imports Grows

During the 1970's, increased affluence and worldwide population growth generated a larger demand for basic food and feedstuffs than most countries could supply domestically. The resulting growth in import demand was particularly strong for wheat, corn, and soybeans, and the United States captured one-half to two-thirds of the expansion.

Increased affluence in developed and middle-income developing countries generated stronger demand for HVP's and semiprocessed products. Growth in demand, particularly for relatively new products previously considered luxury items, outpaced the rise in local production and processing capacity. The result was a significant increase in HVP

imports in developed countries and a phenomenal rise in purchases by middle-income developing countries. Import demand increased the most rapidly for meat, dairy products, beverages, and other food preparations. The bulk of the expansion was filled by the Economic Community (EC), and to a lesser extent, by the United States and a few other developed countries.

U.S. Export Volume Up; Value Down

As a result of these trade developments, the United States' position in the world market shifted. In volume terms, the U.S. share increased substantially, and almost two-fifths of world agricultural trade now originates in the United States. However, the U.S. share fell in value terms.

This phenomenon is graphically reflected in changes in export unit values during the 1970's. The average price of U.S. farm exports increased in nominal terms over the decade, but at a slower pace than for most other exporters, particularly for those that ship predominately HVP's.

U.S. Share of World Agricultural Market Slips in Value

	1970	1980
	Percent	
U.S. share of the world agricultural market		
By volume	25	39
By value	20	18
Agricultural export unit values		
	Dollars	
World average	210	675
U.S. average	170	265
Interannual variability ¹		
	Percent	
World trade volume	3	4
World trade value	5	8
U.S. trade volume	8	9
U.S. trade value	9	14

¹ Deviation from trend for the 1960's and 1970's.

Growth in the value of U.S. exports, as well as LVP shipments in general, was due almost equally to gains in volume and prices. The volume of LVP trade increased an average of 7 to 9 percent a year, while export unit values rose 8 to 10 percent.

On the other hand, value gains in HVP trade were mainly due to higher export prices. Gains in the volume of HVP exports averaged less than 6 percent, while prices increased 10 to 14 percent a year. Given the 8.5- to 9.5-percent pace of inflation during the 1970's, the inflation-adjusted price of farm products, particularly bulk items, actually declined 1 to 2 percent. Meanwhile, inflation-adjusted prices for HVP's increased 2 to 3 percent worldwide.

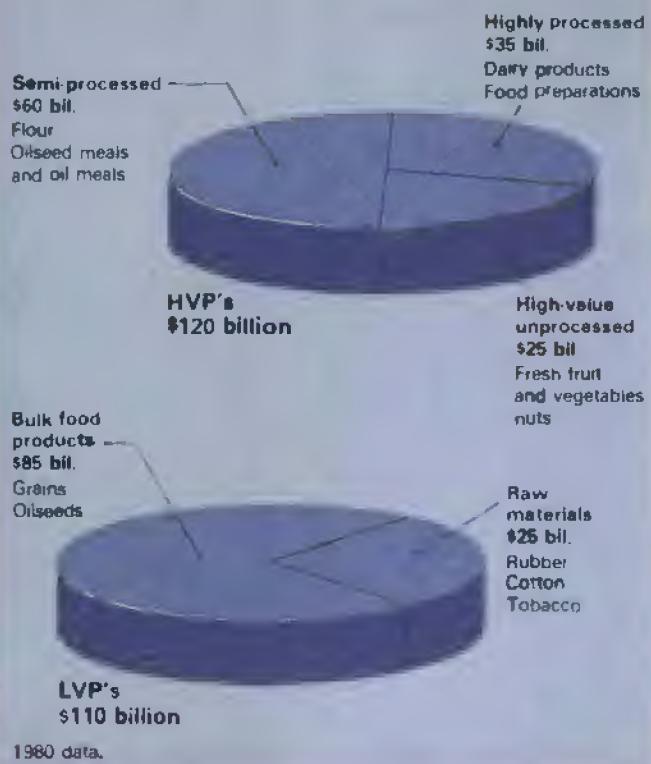
Also, the market for LVP's proved to be more unstable than that for HVP's. As a result, the concentration of U.S. exports in bulk products—about 70 percent—worsened an already serious problem of variability in commodity prices and farm returns.

Equally important, the U.S. concentration in LVP's minimized the favorable impact expanding farm exports had on the rest of the economy. HVP exports involve both a product and a service that is capital and labor intensive, drawing on more than one sector of the economy. LVP exports, on the other hand, consist of bulk products with relatively little labor input from areas of the economy other than agriculture.

U.S. Competitors Aggressively Market HVP's

The HVP export pattern was due as much to foreign policies and programs as to market forces in the United States and abroad. Aggressive foreign export promotion and extensive subsidy programs abroad, particularly in the EC, helped to neutralize our advantages in input and processing costs and to keep the U.S. market share down to 10 percent. Most of the U.S. trade programs concentrated on expanding bulk farm exports at an unprecedented rate. On the other hand, our overseas counterparts focused on aggressively marketing the most highly processed HVP's. This, combined with the U.S. emphasis on LVP's, not only slowed the growth of our HVP exports but also pushed them into a greater concentration in the lowest valued semiprocessed products.

HVP's Command More Than Half of World Agricultural Market



HVP's Will Likely Continue To Dominate Export Growth

Most of the factors that encouraged growth in HVP trade in the 1970's will likely continue in the 1980's. However, import growth is expected to slow somewhat, from the 16 to 18 percent a year during the last 10 years to possibly 10 to 12 percent. Per capita consumption of HVP's is approaching saturation levels in several developed countries, and many developing nations are concentrating on increasing their local HVP production and processing capacity. Nevertheless, the HVP sector is still likely to dominate growth in farm trade, because the push to upgrade and diversify diets continues and capital- and technology-intensive processing capacity is costly to develop and operate.

At least 8 to 10 percent of world demand for HVP's will continue to be supplied by the United States. But, any larger share of the market will depend on more aggressive marketing and trade-policy initiatives to stem foreign export subsidies and import restrictions. [Patrick O'Brien (202) 447-8364]

Statistical Indicators

Summary Data

Key statistical indicators of the food and fiber sector

	1981				1982				
	II	III	IV	Annual	I	II	III F	IV F	Annual F
Prices received by farmers (1977=100)									
Livestock and products	142	138	129	138	133	137	134	134	135
Crops	145	146	137	143	141	149	147	151	147
Prices paid by farmers (1977=100)									
prod. items	141	129	121	134	123	124	120	116	121
Commodities and services, int.	149	148	146	148	149	150	152	153	151
taxes, and wages	150	151	150	150	154	155	157	158	156
Cash receipts¹ (\$ bil.)	142	147	143	144	142	144	142-146	135-139	140-144
Livestock (\$ bil.)	69	71	66	69	69	71	69-73	67-71	68-72
Crops (\$ bil.)	73	76	77	75	73	73	71-75	67-71	71-75
Market basket (1967=100)									
Retail cost	255.3	260.3	258.9	257.1	263.7	267.3	271	272	269
Farm value	244.9	252.2	240.6	246.4	243.4	257.3	257	260	254
Spread	261.4	265.0	269.7	263.4	275.7	273.2	280	280	277
Farm value/retail cost (%)	36	36	34	35	34	36	35	35	35
Retail prices (1967=100)									
Food	273.0	277.2	277.5	274.6	282.4	285.7	291	294	288
At home	268.4	272.5	271.6	269.9	276.8	280.1	284	286	282
Away-from home	289.4	293.6	297.0	291.0	301.1	304.8	311	317	309
Agricultural exports (\$ bil.)²	10.5	9.0	11.3	43.8	10.5	10.0	8.7	11.5	40.5
Agricultural imports (\$ bil.)²	4.2	3.8	4.1	17.2	3.6	3.7	3.3	3.9	14.7
Livestock and products									
Total livestock and products (1974=100)	113.7	112.0	113.2	112.3	108.8	112.0	111.4	109.9	110.5
Beef (mil. lb.)	5,438	5,541	5,676	22,214	5,449	5,363	5,700	5,700	22,212
Pork (mil. lb.)	3,881	3,605	4,157	15,716	3,695	3,550	3,225	3,325	13,795
Veal (mil. lb.)	95	105	115	415	107	99	100	110	416
Lamb and mutton (mil. lb.)	77	79	88	328	90	85	85	92	352
Red meats (mil. lb.)	9,491	9,330	10,036	38,673	9,341	9,097	9,110	9,227	36,775
Broilers (mil. lb.)	3,096	3,081	2,880	11,906	2,888	3,101	3,100	2,920	12,009
Turkeys (mil. lb.)	553	785	773	2,509	410	527	700	760	2,397
Total meats and poultry (mil. lb.)	13,140	13,196	13,687	53,088	12,639	12,725	12,910	12,907	51,181
Eggs (mil. dz.) ⁴	1,463	1,432	1,450	5,800	1,450	1,451	1,420	1,440	5,766
Milk (bil. lb.)	35.1	33.1	32.0	132.6	33.0	35.5	33.8	32.2	134.5
Choice steers, Omaha (\$/cwt.)	66.68	66.53	60.17	63.84	63.36	70.46	65-67	67-71	66-68
Barrows and gilts, 7 markets (\$/cwt.)	43.63	50.42	42.63	44.45	48.17	56.46	60-62	57-61	55-57
Broilers-wholesale, N.Y., 8-16 lb. hens, dressed (cts./lb.)	46.7	47.0	42.1	46.3	44.8	45.1	42-44	40-44	43-45
Turkeys-wholesale, 9-city weighted avg., dressed (cts./lb.)	63.6	62.7	55.1	60.7	55.2	58.8	64-66	66-70	61-63
Eggs, N.Y., Gr. A large, (cts./dz.) ⁴	70.4	70.8	77.4	73.6	78.4	71.8	62-64	70-74	71-73
Milk, all at farm (\$/cwt.)	13.53	13.53	14.00	13.80	13.77	13.23	13.25-13.50	13.50-14.00	13.65
Crop prices at the farm³									
Wheat (\$/bu.)	3.91	3.63	3.81	3.70	3.72	3.57	—	—	3.45-3.65
Corn (\$/bu.)	3.22	2.85	2.39	2.50	2.48	2.57	—	—	2.35-2.55
Soybeans (\$/bu.)	7.35	6.68	6.03	6.05	6.05	6.19	—	—	5.25-6.25
Upland cotton (cts./lb.)	72.1	64.5	57.9	—	49.5	54.2	—	—	—

¹ Quarterly cash receipts are seasonally adjusted at annual rates. ² Annual data are based on Oct.-Sept. fiscal years ending with the indicated year.

³ Quarterly prices are simple averages, annual prices are for marketing year beginning in year indicated. ⁴ Marketing year quarters beginning December 1. F = Forecast.

Farm Income

Cash receipts from farming

	1981							1982					
	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Farm marketings and CCC loans¹	10,493	11,671	11,484	13,318	16,478	15,472	13,153	14,365	10,529	10,414	10,688	10,112	11,457
Livestock and products	5,647	5,637	5,679	6,030	6,137	5,736	5,391	5,294	5,168	5,774	6,881	5,939	5,833
Meat animals	3,194	3,082	3,137	3,562	3,581	3,271	3,013	2,970	3,056	3,382	4,150	3,506	3,395
Dairy products	1,540	1,505	1,490	1,455	1,487	1,448	1,511	1,476	1,357	1,554	1,628	1,674	1,593
Poultry and eggs	827	858	872	842	843	925	790	759	696	764	820	681	764
Other	86	192	80	171	226	92	77	89	60	74	83	78	81
Crops	4,846	6,034	5,905	7,288	10,341	9,736	7,762	9,071	5,361	4,640	4,007	4,173	5,624
Food grains	1,627	2,025	1,418	1,547	1,458	852	700	995	665	532	495	583	1,663
Feed crops	1,085	1,183	1,171	1,308	2,212	2,752	2,013	3,420	1,592	1,322	1,091	1,065	1,409
Cotton (lint and seed)	65	41	161	113	728	1,177	929	1,125	547	205	130	123	110
Tobacco	0	232	561	696	345	341	691	453	67	10	34	5	0
Oil-bearing crops	437	698	839	1,350	3,257	1,799	1,114	1,573	931	880	890	719	745
Vegetables and melons	777	782	811	996	907	587	513	663	506	501	572	724	769
Fruits and tree nuts	488	638	542	882	787	838	830	363	593	596	290	394	540
Other	367	435	402	596	649	1,390	972	479	460	594	705	560	388
Government payments	47	55	108	118	90	149	668	59	507	74	317	23	30
Total cash receipts²	10,540	11,726	11,592	13,436	16,568	15,621	13,821	14,424	11,036	10,488	11,005	10,135	11,487

¹ Receipts from loans represent value of loans minus value of redemptions during the month. ² Details may not add because of rounding.

Farm Production¹

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982 ²
1977=100										
Farm output	93	88	95	97	100	104	111	103	116	115
All livestock products ³	99	100	95	99	100	100	104	108	108	108
Meat animals	102	104	97	100	100	100	103	107	105	104
Dairy products	94	94	94	98	100	99	101	105	108	110
Poultry and eggs	94	94	92	98	100	106	114	115	119	119
All crops ⁴	92	84	93	92	100	102	113	101	117	117
Feed grains	91	74	91	96	100	108	118	97	121	123
Hay and forage	101	96	100	94	100	106	108	98	106	111
Food grains	86	91	106	107	100	93	108	121	144	138
Sugar crops	95	89	114	112	100	101	94	97	111	96
Cotton	91	82	58	74	100	76	102	79	110	77
Tobacco	91	104	114	112	100	106	80	93	107	99
Oil crops	87	71	86	74	100	105	129	99	115	126
Cropland used for crops	93	96	97	98	100	97	100	102	103	102
Crop production per acre	99	88	96	94	100	105	113	99	114	115

¹ For historical data and indexes, see *Changes in Farm Production and Efficiency* USDA Statistical Bulletin 657. ² Preliminary indexes for 1982 based on August 1982 Crop Production report and other releases of the Crop Reporting Board, SRS. ³ Gross livestock production includes minor livestock products not included in the separate groups shown. It cannot be added to gross crop production to compute farm output. ⁴ Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross production to compute farm output.

Cash receipts¹ from farm marketings, by States, January-June

State	Livestock and Products		Crops ²		Total ²	
	1981	1982	1981	1982	1981	1982
\$Mil.						
North Atlantic						
Maine	123.7	117.9	128.4	102.6	252.1	220.5
New Hampshire	35.2	33.8	13.7	14.2	48.9	48.0
Vermont	182.2	180.8	17.8	17.5	200.0	198.3
Massachusetts	66.7	68.4	57.6	58.0	124.4	126.3
Rhode Island	7.1	6.5	8.4	8.8	15.6	15.3
Connecticut	90.4	92.9	74.6	68.9	165.0	161.8
New York	948.7	935.1	342.7	328.3	1,291.4	1,263.4
New Jersey	52.5	52.2	110.5	116.9	163.0	169.2
Pennsylvania	1,047.3	1,079.1	346.4	375.4	1,393.7	1,454.5
North Central						
Ohio	709.4	728.0	845.4	795.7	1,554.8	1,523.8
Indiana	840.5	882.1	987.2	1,084.3	1,827.7	1,966.4
Illinois	1,126.1	1,197.7	2,810.5	3,076.3	3,736.5	4,274.0
Michigan	552.4	563.3	584.2	669.4	1,136.6	1,232.6
Wisconsin	2,108.2	1,928.0	387.8	475.4	2,496.0	2,403.4
Minnesota	1,691.3	1,719.0	1,220.8	1,552.9	2,912.1	3,271.9
Iowa	2,722.8	2,878.4	2,407.5	2,788.9	5,130.3	5,667.3
Missouri	1,187.8	1,191.5	615.2	760.9	1,803.1	1,952.4
North Dakota	310.0	289.3	683.5	960.8	993.5	1,250.0
South Dakota	1,018.9	949.5	301.7	393.4	1,320.7	1,342.9
Nebraska	1,614.7	2,153.4	1,176.3	1,658.5	2,791.0	3,812.0
Kansas	1,892.2	1,895.6	880.3	968.9	2,772.5	2,864.6
Southern						
Delaware	132.5	139.8	28.7	29.2	161.3	169.1
Maryland	339.8	347.7	129.0	131.5	468.8	479.2
Virginia	434.3	436.9	153.2	202.2	587.5	639.1
West Virginia	75.5	79.1	18.6	19.5	94.1	98.7
North Carolina	773.6	771.3	473.2	463.2	1,246.7	1,234.5
South Carolina	209.6	213.6	170.1	224.2	379.7	437.8
Georgia	893.5	869.9	371.4	399.8	1,264.9	1,269.7
Florida	492.1	480.5	2,095.9	2,424.4	2,588.0	2,904.9
Kentucky	538.7	524.3	436.4	674.3	975.1	1,198.6
Tennessee	400.2	387.2	247.1	325.3	647.3	712.5
Alabama	679.6	634.0	224.4	269.8	904.1	903.7
Mississippi	440.2	424.8	364.8	414.6	805.0	839.4
Arkansas	781.2	717.5	551.3	706.5	1,332.4	1,423.9
Louisiana	225.5	214.5	369.0	346.5	594.5	561.1
Oklahoma	897.9	871.7	410.3	444.7	1,308.2	1,316.4
Texas	2,564.0	2,905.1	1,776.0	2,253.5	4,340.0	5,158.6
Western						
Montana	298.3	291.0	301.7	389.1	600.1	680.1
Idaho	457.4	464.7	515.3	471.8	972.7	936.5
Wyoming	205.6	197.9	36.0	34.2	241.6	232.2
Colorado	990.8	1,024.5	374.2	379.8	1,365.1	1,404.2
New Mexico	260.7	253.4	83.3	101.1	344.0	354.5
Arizona	390.3	403.3	530.0	599.6	920.3	1,002.8
Utah	188.7	190.2	52.8	53.0	241.5	243.2
Nevada	65.5	64.2	39.2	37.1	104.7	101.3
Washington	433.2	408.9	691.0	823.3	1,124.2	1,232.2
Oregon	276.3	267.0	387.2	412.7	663.5	679.6
California	2,151.7	2,117.3	3,095.3	3,679.4	5,247.0	5,796.6
Alaska	2.4	2.4	2.2	2.2	4.6	4.5
Hawaii	45.8	43.9	189.2	288.1	234.9	332.0
United States	33,973.2	34,689.2	27,917.6	32,876.5	61,890.8	67,565.7

¹ Estimates as of the first of current month. ² Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

Farm marketing indexes (physical volume)

	Annual			1981		1982					
	1979	1980	1981 p	June	Jan	Feb	Mar	Apr	May	June	
1977=100											
All commodities	106	108	110	113	153	128	117	118	126	134	
Livestock and products	100	103	105	106	105	104	100	116	104	105	
Crop	113	114	114	124	192	156	138	120	159	171	

p = preliminary.

Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1981		1982					
	1979	'1980' ¹	1981	Aug	Mar	Apr	May	June	July	Aug P	
1977=100											
Prices Received											
All farm products	132	134	138	138	133	135	139	137	136	135	
All crops	116	125	134	130	120	123	125	125	124	121	
Food grains	147	165	166	157	153	152	150	141	136	136	
Feed grains and hay	114	132	141	136	124	128	132	128	122	111	
Feed grains	117	135	145	141	124	128	131	129	123	110	
Cotton	96	114	111	107	83	88	90	91	95	100	
Tobacco	118	125	140	144	152	151	151	152	144	157	
Oil-bearing crops	103	102	110	110	91	93	95	93	91	83	
Fruit	144	124	129	129	144	145	157	166	192	214	
Fresh market ²	151	128	131	131	148	149	184	175	205	232	
Commercial vegetables	110	113	136	126	132	127	121	128	121	111	
Fresh market	109	110	135	119	129	123	112	116	112	99	
Potatoes ³	92	129	179	180	126	133	152	184	180	159	
Livestock and products	147	144	143	146	145	147	151	149	148	148	
Meat animals	166	156	150	157	154	159	168	166	162	165	
Dairy products	124	135	142	139	140	138	136	135	136	137	
Poultry and eggs	111	112	116	115	118	112	108	107	111	104	
Prices paid											
Commodities and services.											
Interest, taxes, and wage rates	123	138	150	151	155	155	155	156	156	156	
Production items	125	138	148	148	150	150	150	151	151	151	
Feed	110	123	134	131	123	125	128	126	123	119	
Feeder livestock	185	177	164	164	167	168	169	166	168	171	
Seed	110	118	138	144	144	140	140	140	140	140	
Fertilizer	108	134	144	147	147	147	146	146	146	146	
Agricultural chemicals	96	102	111	113	119	119	121	121	121	121	
Fuels & energy	137	188	213	214	205	198	200	210	212	211	
Farm & motor supplies	115	134	147	149	151	152	152	152	153	154	
Autos & trucks	117	123	143	145	156	156	159	159	159	160	
Tractors & self-propelled machinery	122	136	152	155	161	161	161	167	167	167	
Other machinery	119	132	146	148	156	156	156	162	162	182	
Building & fencing	118	128	134	135	135	134	134	135	135	136	
Farm services & cash rent	117	127	137	137	147	147	147	147	147	147	
Interest payable per acre on farm real estate debt .	141	168	195	195	218	218	218	218	218	218	
Taxes payable per acre on farm real estate	107	117	124	124	132	132	132	132	132	132	
Wage rates (seasonally adjusted)	117	127	136	135	148	148	148	136	136	136	
Production items, interest, taxes, and wage rates . .	125	139	150	150	154	154	155	155	155	154	
Prices received (1910-14=100)	602	614	633	632	608	616	633	628	622	617	
Prices paid, etc. (Parity Index) (1910-14=100) . .	850	950	1,031	1,038	1,067	1,066	1,071	1,073	1,077	1,076	
Parity ratio ⁴	71	65	61	61	57	58	59	58	58	57	

¹ Fresh market for noncitrus and fresh market and processing for citrus. ² Includes sweetpotatoes and dry edible beans. ³ Ratio of Index of prices received to Index of prices paid, taxes, and wage rates. (1910-14=100). p = preliminary.

Prices received by farmers, U.S. average

	Annual*			1981		1982					
	1979	1980	1981	Aug	Mar	Apr	May	June	July	Aug p	
Crops											
All wheat (\$/bu.)	3.51	3.88	3.88	3.62	3.67	3.68	3.64	3.39	3.26	3.29	
Rice, rough (\$/cwt.)	9.05	11.07	11.94	11.80	8.99	8.54	8.55	8.54	8.25	7.74	
Corn (\$/bu.)	2.36	2.70	2.92	2.87	2.46	2.55	2.60	2.57	2.50	2.19	
Sorghum (\$/cwt.)	3.91	4.68	4.72	4.55	4.00	4.10	4.35	4.17	3.96	3.88	
All hay, baled (\$/ton)	56.30	67.00	67.76	62.90	70.90	73.40	78.80	70.90	66.60	65.00	
Soybeans (\$/bu.)	6.86	6.75	6.92	6.71	5.99	6.17	6.27	6.12	5.99	5.39	
Cotton, Upland (cts./lb.)	58.0	69.0	66.9	65.0	50.1	53.5	54.2	54.9	57.6	60.4	
Potatoes (\$/cwt.)	3.16	4.78	7.02	7.36	4.86	5.28	6.26	8.01	7.93	7.00	
Dry edible beans (\$/cwt.)	19.60	24.80	28.60	26.70	18.70	18.00	19.20	17.50	16.10	15.10	
Apples for fresh use (cts./lb.)	14.2	17.1	13.6	15.9	17.7	16.0	16.0	17.6	16.7	13.3	
Pears for fresh use (\$/ton)	276	325	263	203	328	300	335	—	—	243	
Oranges, all uses (\$/box) ¹	3.34	3.26	3.75	3.44	4.74	4.98	5.98	6.95	8.23	10.79	
Grapefruit, all uses (\$/box) ¹	2.97	2.73	3.44	2.69	1.78	2.01	2.02	1.23	2.83	2.28	
Livestock											
Beef cattle (\$/cwt.)	66.30	62.50	60.80	59.70	58.60	60.10	62.60	61.10	58.70	58.90	
Calves (\$/cwt.)	89.70	77.50	64.00	62.30	61.90	62.30	64.20	61.90	60.60	61.30	
Hogs (\$/cwt.)	41.30	38.90	43.40	49.20	48.60	51.20	56.80	57.60	57.90	61.10	
Lambs (\$/cwt.)	67.10	63.50	54.90	56.20	60.30	61.50	63.50	57.80	55.90	50.70	
All milk, sold to plants (\$/cwt.)	12.00	13.10	13.80	13.50	13.60	13.40	13.20	13.10	13.20	13.30	
Milk, manuf. grade (\$/cwt.)	11.10	12.00	12.75	12.40	12.70	12.60	12.50	12.40	12.30	12.30	
Broilers (cts./lb.)	25.9	27.7	28.1	28.5	26.9	26.2	28.0	28.6	28.6	26.3	
Eggs (cts./doz.) ²	58.1	56.7	62.3	59.7	68.2	63.0	54.8	51.6	55.2	50.7	
Turkeys (cts./lb.)	41.9	40.0	38.4	40.2	33.3	33.9	34.6	37.7	40.0	40.1	
Wool (cts./lb.) ³	86.3	88.1	94.7	84.8	83.4	89.1	88.5	79.6	74.5	68.3	

¹ Equivalent on-tree returns. ² Average of all eggs sold by farmers including hatching eggs and eggs sold at retail. ³ Average local market price, excluding incentive payments. *Calendar year averages. p = preliminary.

Producer and Consumer Prices

Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual			1981			1982					
	1981	July	Dec	Jan	Feb	Mar	Apr	May	June	July		
1967=100												
Consumer price index, all items	272.4	274.4	281.5	282.5	283.4	283.1	284.3	287.1	290.6	292.2		
Consumer price index, less food	270.6	272.7	280.8	281.4	282.1	281.7	282.9	286.0	289.7	291.5		
All food	274.6	276.2	277.8	281.0	283.3	283.0	289.9	285.5	287.8	288.5		
Food away from home	291.0	292.4	297.7	299.8	301.2	302.4	303.6	304.8	305.9	307.6		
Food at home	269.9	271.6	271.7	275.3	278.0	277.1	277.9	279.8	282.6	282.8		
Meats ¹	257.8	259.6	258.7	257.8	260.2	261.2	263.6	269.7	277.2	278.8		
Beef and veal	272.6	274.5	270.5	269.4	271.5	271.7	274.8	281.1	288.2	286.7		
Pork	228.6	231.5	234.3	234.7	238.9	239.5	241.6	249.9	259.5	265.4		
Poultry	198.6	204.8	191.7	194.2	195.7	194.7	193.3	196.0	197.5	199.6		
Fish	357.7	356.9	359.6	373.3	373.8	376.3	382.0	366.3	365.2	370.2		
Eggs	183.8	174.2	198.0	189.4	205.1	195.2	186.9	172.3	162.5	173.6		
Dairy products ²	243.6	244.2	245.5	245.8	246.5	246.5	247.5	247.0	246.3	247.5		
Fats and oils ³	267.1	269.0	261.1	261.6	260.5	259.6	260.4	260.6	260.7	259.3		
Fruits and vegetables	276.3	284.4	276.4	294.7	301.5	293.1	294.0	297.9	305.6	299.7		
Fresh	282.9	294.0	274.9	308.0	319.6	302.1	304.1	311.7	325.9	313.6		
Processed	271.5	276.4	280.6	282.7	284.2	285.8	285.5	285.4	285.9	286.8		
Cereals and bakery products	271.1	272.4	277.7	279.8	280.9	281.3	281.7	283.3	283.6	284.3		
Sugar and sweets	368.3	360.0	359.3	361.6	364.2	365.5	365.3	365.7	366.8	369.5		
Beverages, nonalcoholic	412.6	410.3	412.5	418.7	423.4	424.8	424.1	425.6	424.8	422.8		
Apparel commodities less footwear	174.0	171.2	176.6	172.8	173.4	176.8	177.4	176.7	175.6	174.0		
Footwear	200.4	199.0	205.7	202.8	202.8	204.9	205.6	206.5	206.6	206.4		
Tobacco products	218.9	219.3	226.8	227.1	230.7	234.1	235.1	237.4	237.8	239.2		
Beverages, alcoholic	199.5	200.5	202.7	204.0	205.6	206.6	207.4	208.0	208.4	209.2		

¹ Beef, veal, lamb, pork, and processed meat. ² Includes butter. ³ Excludes butter.

Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1981		1982					
	1979	1980	1981 p	July	Feb	Mar	Apr	May	June	July	
1967=100											
Finished goods¹	216.1	247.0	269.8	271.8	277.9	277.3	276.9	277.7	279.9	281.7	
Consumer foods	226.3	239.5	253.5	257.6	258.2	257.1	259.8	262.3	263.4	260.7	
Fresh fruit	232.6	237.6	228.4	225.3	250.8	230.0	243.2	244.7	221.1	215.4	
Fresh and dried vegetables	201.0	219.0	278.0	278.1	299.6	257.7	265.2	270.9	278.4	237.3	
Eggs	176.5	171.0	187.1	185.1	200.6	204.0	192.1	184.3	159.3	171.7	
Bakery products	221.7	247.8	268.4	269.8	276.0	275.4	275.6	275.6	275.0	276.0	
Meats	240.6	235.9	239.0	250.5	241.4	241.4	250.3	267.1	266.4	260.9	
Beef and veal	252.2	260.2	246.9	257.2	243.0	249.5	256.5	267.1	267.4	253.7	
Pork	205.0	196.7	218.1	236.7	232.7	222.5	237.5	251.8	257.0	264.3	
Poultry	188.6	193.3	193.3	205.2	175.5	178.4	175.8	179.7	185.7	188.1	
Fish	383.8	370.9	377.9	382.4	394.6	416.6	423.4	419.3	423.7	413.2	
Dairy products	211.2	230.6	245.7	245.1	248.0	248.0	248.4	248.5	248.7	248.8	
Processed fruits and vegetables	221.9	228.7	261.1	265.9	274.7	275.7	274.5	273.4	275.4	275.9	
Vegetable oil and products	223.5	233.2	238.2	239.9	237.5	233.9	236.7	238.5	238.8	238.9	
Consumer finished goods less foods	208.2	250.8	276.3	277.9	284.9	284.0	281.7	281.6	284.6	288.7	
Beverages, alcoholic	161.4	175.8	189.3	190.5	193.3	195.1	196.5	197.4	198.0	197.8	
Soft drinks	277.1	261.0	303.6	307.5	316.1	317.5	319.2	319.8	318.3	319.4	
Apparel	160.4	172.4	185.5	187.2	191.0	191.7	192.2	192.7	193.0	193.1	
Footwear	218.0	233.1	241.2	242.4	239.2	240.6	243.7	242.5	243.8	241.7	
Tobacco products	217.7	245.7	268.3	268.8	306.4	306.4	306.5	306.7	306.7	311.3	
Intermediate materials³	242.8	280.3	306.0	308.5	311.1	310.6	310.1	309.8	310.0	311.4	
Materials for food manufacturing	223.6	264.4	260.9	260.5	252.8	252.0	254.3	260.0	260.9	260.0	
Flour	172.0	187.6	191.8	190.2	188.8	188.0	186.6	184.6	184.3	183.0	
Refined sugar ⁴	119.3	212.9	173.5	155.3	159.9	154.2	153.9	161.6	161.7	165.2	
Crude vegetable oils	243.7	202.8	185.4	199.0	162.4	157.9	166.6	170.3	168.1	168.0	
Crude materials⁵	282.2	304.6	329.1	337.3	321.6	320.0	322.8	328.1	325.7	323.4	
Foodstuffs and feedstuffs	247.2	259.2	257.4	267.2	248.3	247.9	254.3	262.3	259.8	255.5	
Fruits and vegetables ⁶	299.0	238.6	267.0	265.6	289.3	256.4	266.7	270.7	263.8	238.4	
Grains	214.8	239.0	248.4	257.4	223.2	220.9	226.0	228.2	225.7	212.8	
Livestock	260.3	252.7	248.0	266.5	251.2	255.6	267.6	282.9	277.5	270.3	
Poultry, live	194.3	202.1	201.2	215.3	197.3	197.7	186.2	192.7	207.2	212.5	
Fibers, plant and animal	209.9	271.1	242.0	251.3	193.5	199.5	207.4	214.1	203.1	220.8	
Milk	250.1	271.2	287.4	284.3	285.8	282.5	280.3	278.8	278.9	279.0	
Oilseeds	245.5	249.2	277.6	296.9	218.7	214.1	225.3	229.4	225.4	224.0	
Coffee, green	416.2	430.3	330.1	261.4	309.9	309.9	319.6	319.6	319.6	319.6	
Tobacco, leaf	207.7	222.2	n.a.	247.5	267.2	267.2	265.6	265.6	266.5	253.1	
Sugar, raw cane	209.8	413.0	272.7	271.5	244.4	232.3	242.2	268.5	285.9	314.5	
All commodities	235.6	268.8	293.4	296.2	298.6	298.0	297.9	298.6	299.4	300.6	
Industrial commodities	236.5	274.8	304.1	306.2	311.6	311.0	309.9	309.5	310.7	313.0	
All foods⁷	266.3	244.5	251.9	255.2	253.5	251.5	254.4	257.9	259.0	256.8	
Farm products and processed foods and feeds	229.8	244.7	251.5	256.8	248.4	247.5	251.4	255.6	255.3	252.5	
Farm products	241.4	249.4	254.9	263.3	247.1	244.7	250.6	256.1	252.7	246.5	
Processed foods and feeds	222.5	241.2	248.7	252.2	248.1	248.1	250.8	254.4	255.8	254.8	
Cereal and bakery products	210.3	236.0	255.5	258.3	253.3	254.2	253.8	253.9	253.3	253.6	
Sugar and confectionery	214.7	322.5	276.8	266.0	257.2	255.0	256.4	265.8	269.5	276.1	
Beverages	210.7	233.0	247.5	249.0	255.1	256.4	256.6	256.7	256.5	256.7	

¹ Commodities ready for sale to ultimate consumer. ² Consumer size packages, Dec. 1977=100. ³ Commodities requiring further processing to become finished goods. ⁴ For use in food manufacturing. ⁵ Products entering market for the first time which have not been manufactured at that point. ⁶ Fresh and dried. ⁷ Includes all raw, intermediate, and processed foods (excludes soft drinks, alcoholic beverages, and manufactured animal feeds). n.a. = not available.

Note: Annual historical data on consumer and producer food price indexes may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 672, ERS, USDA.

Farm-Retail Price Spreads

Market basket of farm foods

	Annual			1981		1982				
	1979	1980	1981 p	July	Feb	Mar	Apr	May	June	July
Market basket¹:										
Retail cost (1967=100)	222.7	238.8	257.1	259.5	265.1	263.8	264.5	267.1	270.3	270.7
Farm value (1967=100)	227.3	239.8	246.4	257.4	246.7	246.9	250.7	255.5	264.8	259.8
Farm-retail spread (1967=100) . . .	220.0	238.3	263.4	260.7	277.5	273.7	272.7	273.3	273.6	277.1
Farm value/retail cost (%)	37.8	37.2	35.5	36.7	34.5	34.7	35.1	35.6	36.3	36.5
Meat products:										
Retail cost (1967=100)	241.9	248.8	257.8	259.6	260.0	261.2	263.6	269.7	277.2	278.8
Farm value (1967=100)	234.6	234.0	235.5	256.8	236.1	242.7	252.5	268.1	280.5	268.8
Farm-retail spread (1967=100)	250.4	266.1	284.0	262.8	288.4	282.8	276.6	275.1	273.3	290.5
Farm value/retail cost (%)	52.3	50.7	49.3	53.4	49.0	50.1	51.7	53.6	54.6	52.0
Dairy products:										
Retail cost (1967=100)	207.0	227.4	243.6	244.2	246.5	246.5	247.5	247.0	246.3	247.5
Farm value (1967=100)	229.8	251.1	265.9	265.2	264.4	261.6	259.4	259.7	259.1	259.7
Farm-retail spread (1967=100)	187.1	206.6	224.1	225.7	230.8	233.3	237.1	235.8	235.1	236.8
Farm value/retail cost (%)	51.9	51.6	51.0	50.8	50.2	49.6	49.0	49.2	49.2	49.1
Poultry:										
Retail cost (1967=100)	181.5	190.8	198.6	204.8	195.7	194.7	193.3	196.0	197.5	199.6
Farm value (1967=100)	203.8	211.9	210.2	227.4	196.7	195.6	193.2	204.3	211.9	215.3
Farm-retail spread (1967=100)	160.0	170.3	187.4	182.9	194.8	193.9	193.4	187.9	178.6	184.5
Farm value/retail cost (%)	55.2	54.6	52.0	54.7	49.4	49.4	49.2	51.3	53.4	53.0
Eggs										
Retail cost (1967=100)	172.8	169.7	183.8	174.2	205.1	195.2	186.9	172.3	162.5	173.6
Farm value (1967=100)	194.2	184.3	206.5	192.8	219.2	225.8	208.1	176.0	162.8	177.1
Farm-retail spread (1967=100)	142.0	148.6	150.9	147.4	184.7	150.9	156.3	166.9	162.0	168.5
Farm value/retail cost (%)	66.4	64.2	66.4	65.4	63.2	68.4	65.8	60.4	59.2	60.3
Cereal and bakery products:										
Retail cost (1967=100)	220.2	246.4	271.1	272.4	280.9	281.3	281.7	283.3	283.6	284.3
Farm value (1967=100)	189.9	221.4	217.7	214.0	204.0	202.8	202.7	202.2	198.0	195.8
Farm-retail spread (1967=100)	226.3	251.6	282.1	284.5	296.8	297.5	298.1	300.1	301.3	302.6
Farm value/retail cost (%)	14.8	15.4	13.8	13.5	12.4	12.4	12.3	12.2	12.0	11.8
Fresh fruits:										
Retail cost (1967=100)	258.5	271.8	286.1	304.6	302.1	307.9	317.3	332.6	357.6	351.4
Farm value (1967=100)	237.6	245.0	251.6	224.3	352.6	343.0	323.2	349.8	384.4	386.1
Farm-retail spread (1967=100)	267.9	283.8	301.6	340.6	279.4	292.1	314.6	324.9	345.5	335.8
Farm value/retail cost (%)	28.5	27.9	27.2	22.8	36.2	34.5	32.0	32.6	33.3	34.0
Fresh vegetables:										
Retail costs (1967=100)	222.5	242.2	287.4	295.9	346.2	306.1	301.8	305.1	311.9	296.4
Farm value (1967=100)	204.3	216.1	279.9	312.5	318.9	276.6	316.6	279.1	321.2	299.7
Farm-retail spread (1967=100)	231.1	254.5	290.9	288.1	359.0	320.0	294.8	317.3	307.5	294.9
Farm value/retail cost (%)	29.4	28.5	31.2	33.8	29.5	28.9	33.6	29.2	32.9	32.3
Processed fruits and vegetables:										
Retail cost (1967=100)	226.6	242.5	271.5	276.4	284.2	285.8	285.5	285.4	285.9	286.8
Farm value (1967=100)	235.3	243.5	288.7	305.8	279.6	277.0	270.7	274.6	274.1	272.7
Farm-retail spread (1967=100)	224.7	242.2	267.7	269.9	285.2	287.8	288.8	287.7	288.5	289.9
Farm value/retail costs (%)	18.8	18.2	19.3	20.0	17.8	17.6	17.2	17.4	17.4	17.2
Fats and oils:										
Retail cost (1967=100)	226.3	241.2	267.1	269.0	260.5	259.6	260.4	260.6	260.7	259.3
Farm value (1967=100)	278.0	250.3	261.3	280.5	205.6	212.3	219.9	223.7	219.4	227.7
Farm-retail spread (1967=100)	206.4	237.7	269.4	264.6	281.6	277.8	276.0	274.8	281.7	271.5
Farm value/retail cost (%)	34.1	28.8	27.2	29.0	21.9	22.7	23.5	23.8	23.0	24.4

¹ Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Note: Annual historical data on farm-retail price spreads may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 672, ERS, USDA.

Farm-retail price spreads

	Annual			1981		1982				
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July
Beef, Choice:										
Retail price ¹ (cts./lb.)	226.3	237.6	238.7	242.9	238.0	237.0	240.4	246.5	254.6	251.8
Net carcass value ² (cts.)	150.5	155.4	149.3	159.9	150.0	154.6	162.2	169.9	164.4	152.6
Net farm value ³ (cts.)	140.8	145.0	138.5	147.9	139.8	144.9	151.8	159.7	154.4	143.4
Farm-retail spread (cts.)	85.5	92.6	100.2	95.0	98.2	92.1	88.6	86.8	100.2	108.4
Carcass-retail spread ⁴ (cts.)	75.8	82.2	89.4	83.0	88.0	82.4	78.2	76.6	90.2	99.2
Farm-carcass spread ⁵ (cts.)	9.7	10.4	10.8	12.0	10.2	9.7	10.4	10.2	10.0	9.2
Farm value/retail price (%)	62	61	58	62	59	61	63	65	61	57
Pork:										
Retail price ¹ (cts./lb.)	144.1	139.4	152.4	154.9	160.7	161.4	163.0	169.6	175.4	181.1
Wholesale value ² (cts.)	100.4	98.0	106.7	114.5	108.8	110.4	114.0	122.1	125.1	129.3
Net farm value ³ (cts.)	66.6	63.2	70.3	80.9	78.3	78.2	82.7	92.0	93.7	95.1
Farm-retail spread (cts.)	77.5	67.2	82.1	74.0	82.4	63.2	80.3	77.6	81.7	86.0
Wholesale-retail spread ⁴ (cts.)	43.7	41.4	45.7	40.4	51.9	51.0	49.0	47.5	50.3	51.8
Farm-wholesale spread ⁵ (cts.)	33.8	34.8	36.4	33.6	30.5	32.2	31.3	30.1	31.4	34.2
Farm value/retail price (%)	46	45	46	52	49	48	51	54	53	53

¹ Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from BLS. ² Value of carcass quantity equivalent to 1 lb. of retail cuts-beef adjusted for value of fat and bone byproducts. ³ Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. ⁴ Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. ⁵ Represents charges made for livestock marketing, processing and transportation to city where consumed.

Transportation Data

Rail rates, grain and fruit and vegetable shipments

	Annual			1981		1982				
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July
Rail freight rate index¹										
All products (1969=100)	243.3	284.5	327.6	332.8	350.6	350.6	351.4	351.6	351.5	351.5
Farm products (1969=100)	235.9	275.6	315.0	319.0	338.5	337.7	338.3	338.3	338.3	338.3
Grain (Dec. 1978=100)	107.4	127.9	148.1	150.3	160.2	160.2	160.2	160.0	160.2	160.2
Food products (1969=100)	239.2	283.1	329.4	333.7	354.1	353.7	353.7	353.7	353.7	353.7
Rail carloadings of grain (thou. cars) ² . . .	27.5	30.1	26.3	22.3	27.2	26.8	23.6	23.8	22.5	27.0
Barge shipments of grain (mil. bu.) ³	31.2	36.7	38.2	35.1	31.8	31.8	49.9	44.7	40.3	38.7
Fresh fruit and vegetable shipments										
Piggy back (thousand cwt.) ⁴	n.a.	124	247	656	322	291	321	436	453	840
Rail (thou. cwt.) ⁴	806	1,218	711	290	692	738	591	675	1,173	447
Truck (thou. cwt.) ⁴	7,558	7,594	7,662	8,279	8,867	7,451	8,579	9,096	8,768	8,038

¹ Department of Labor, Bureau of Labor Statistics, revised April 1982. ² Weekly average, from Association of American Railroads. ³ Weekly average, from Agricultural Marketing Service, USDA. ⁴ Preliminary data for 1982. n.a. = not available.

Food Supply and Use

Per capita consumption of major food commodities (retail weight)¹

	1973	1974	1975	1976	1977	1978	1979	1980	1981 ²
Pounds									
Meats:	141.5	151.2	143.7	152.8	152.2	146.9	144.9	147.6	144.5
Beef	80.5	85.6	87.9	94.3	91.7	87.2	78.1	76.5	77.2
Veal	1.5	1.9	3.4	3.2	3.2	2.4	1.7	1.5	1.6
Lamb and mutton	2.4	2.0	1.8	1.6	1.5	1.4	1.3	1.3	1.4
Pork	57.1	61.7	50.6	53.7	55.8	55.9	63.8	68.3	64.3
Fish (edible weight):	12.8	12.1	12.2	12.9	12.7	13.4	13.0	12.8	13.0
Canned	5.0	4.7	4.3	4.2	4.6	5.0	4.8	4.5	4.8
Poultry Products:									
Eggs	36.8	36.1	35.2	34.2	33.9	34.5	35.2	34.6	33.6
Chicken (ready-to-cook)	40.4	40.7	40.1	42.7	44.1	46.7	50.6	50.1	51.7
Turkey (ready-to-cook)	8.5	8.8	8.5	9.1	9.1	9.2	9.9	10.5	10.7
Dairy products:									
Cheese (excluding cottage)	13.6	14.6	14.3	15.7	16.1	17.0	17.2	17.6	18.0
Condensed and evaporated whole milk	5.9	5.6	5.3	5.0	4.3	4.1	4.1	3.8	3.9
Fluid milk and cream (product weight)	272.0	262.0	267.0	264.0	260.0	257.0	253.0	250.0	24.6
Ice cream (product weight)	17.3	17.4	18.5	17.9	17.5	17.4	17.1	17.3	17.2
Fats and Oils—Total fat content:	53.3	52.4	52.3	54.8	53.0	54.6	55.8	56.5	57.3
Butter (actual weight)	4.8	4.5	4.7	4.3	4.3	4.4	4.5	4.5	4.3
Margarine (actual weight)	11.1	11.1	11.0	11.9	11.4	11.2	11.2	11.3	11.2
Lard	3.3	3.2	2.8	2.6	2.2	2.2	2.4	2.4	2.5
Shortening	17.1	16.9	17.0	17.7	17.2	17.8	18.4	18.2	18.5
Other edible fats and oils	20.3	19.8	19.9	21.5	21.0	22.1	22.4	22.7	23.5
Fruits:									
Fresh	73.8	76.4	80.8	82.8	79.5	79.0	80.8	85.7	87.3
Citrus	26.5	26.8	28.4	28.1	25.5	25.7	23.8	28.1	24.6
Noncitrus	47.3	49.8	52.4	54.7	54.0	53.2	57.0	57.6	62.7
Processed:									
Canned fruit	21.2	19.2	19.0	18.6	19.0	17.9	17.8	17.4	16.7
Canned juice	15.0	13.0	14.6	14.5	13.6	16.5	16.9	18.7	19.1
Frozen (including juices)	12.1	12.0	14.0	13.6	14.0	12.5	12.6	13.0	12.7
Chilled citrus juices	5.2	5.2	5.6	6.1	5.7	6.0	5.4	5.8	4.2
Dried	2.5	2.4	2.9	2.6	2.5	2.1	2.6	2.4	2.4
Vegetables:									
Fresh ³	89.8	91.6	90.3	91.4	93.4	95.3	97.5	99.5	95.2
Canned (excluding potatoes)	54.0	52.9	51.9	53.0	53.1	51.9	53.2	49.8	49.4
Frozen (excluding potatoes)	9.9	10.1	9.6	9.8	10.2	10.7	11.2	10.4	11.3
Fresh potatoes	49.3	46.0	51.7	48.1	51.5	44.9	48.9	48.7	42.4
Frozen potato products	13.2	13.1	13.7	14.6	15.7	17.2	17.7	16.9	18.1
Sweetpotatoes ⁴	4.5	4.7	4.9	4.8	4.4	4.5	4.6	3.9	4.1
Grains:									
Wheat flour ⁵	113	111	114	119	115	115	117	117	117
Rice	7.0	7.5	7.6	7.1	7.5	5.7	9.4	9.4	11.0
Other:									
Coffee	10.0	9.6	9.2	9.4	6.9	7.9	8.5	7.8	7.7
Cocoa	3.4	3.0	2.6	3.0	2.6	2.6	2.6	2.6	2.9
Peanuts (shelled)	6.6	6.4	6.5	6.2	6.3	6.8	6.8	5.5	6.1
Dry edible beans	7.0	5.0	6.5	6.0	6.2	4.8	4.7	4.6	4.2
Melons	19.6	17.0	17.2	18.3	19.1	19.8	18.8	16.9	16.9
Sugar (refined)	100.8	95.6	89.1	93.4	94.2	91.4	89.3	83.7	79.4
Corn sweeteners ⁶	23.5	25.6	28.8	31.9	35.3	39.2	43.3	48.9	55.0

¹ Quantity in pounds, retail weight unless otherwise shown. Data on calendar year basis except for dried fruits, fresh citrus fruits, peanuts, dry beans and rice which are on a crop-year basis, and eggs which are on a marketing-year basis. ² Preliminary. ³ Commercial production for sale as fresh produce.

⁴ Table stock and processed. ⁵ White, whole wheat, and semolina flour. ⁶ Fructose and glucose.

Note: Historical consumption and supply-utilization data for food may be found in *Food Consumption, Prices and Expenditures, Statistical Bulletin 672*, ERS, USDA.

Per capita food consumption indexes¹ (1967=100)

	1970	1973	1974	1975	1976	1977	1978	1979	1980	1981 ²
1967=100										
Meat, poultry, and fish	104.6	99.7	104.9	101.6	108.0	107.6	105.1	104.3	104.8	104.1
Meat	103.8	97.0	103.6	99.9	106.1	105.3	101.0	98.7	99.5	97.8
Poultry	107.3	108.6	110.0	107.9	115.0	118.0	123.9	134.0	134.5	138.5
Fish	110.6	120.1	113.7	113.7	119.8	118.6	125.2	121.5	119.1	121.5
Eggs	96.3	90.6	88.9	86.7	84.2	83.5	85.0	86.7	85.2	82.8
Dairy products ³	99.9	101.1	99.3	100.3	101.4	100.8	101.2	100.3	100.0	99.5
Fats and oils	105.5	106.5	103.6	103.6	107.7	104.3	107.7	110.1	110.5	112.0
Animal ⁴	87.6	75.0	73.9	66.6	82.7	65.1	66.8	69.2	69.9	68.1
Vegetable	118.8	130.0	125.7	131.2	141.2	133.5	138.1	140.6	140.7	144.8
Fruits ⁵	102.2	99.6	98.9	107.7	107.7	105.9	102.9	105.7	109.2	111.2
Fresh	101.2	93.9	97.9	105.0	106.5	104.2	102.5	106.5	112.0	116.0
Processed	103.5	107.0	100.2	111.1	109.2	108.1	103.3	104.7	105.5	105.2
Vegetables ⁶	102.1	104.1	103.9	102.7	104.4	105.8	106.2	108.8	106.4	102.5
Fresh	100.8	100.1	100.9	100.3	101.2	103.6	105.1	106.5	108.3	104.2
Processed	104.4	111.1	109.1	107.0	109.9	109.6	108.1	112.8	103.0	99.5
Potatoes and sweetpotatoes	107.7	106.2	102.9	107.5	106.3	112.0	112.4	116.0	111.8	110.3
Fresh	94.7	83.3	79.1	89.3	84.0	87.7	77.9	84.4	82.4	73.8
Processed	119.7	127.3	124.9	124.3	126.8	134.5	144.1	145.1	138.9	143.9
Beans, peas, and peanuts	97.5	106.8	196.1	104.9	102.0	100.6	99.9	99.2	88.0	93.7
Flour and cereal products	97.8	99.4	98.2	100.3	103.8	100.7	99.6	103.4	103.7	104.1
Sugar	106.2	110.1	107.1	104.0	110.6	114.1	114.9	116.3	115.5	116.4
Coffee, tea, and cocoa	93.4	97.2	93.8	88.1	92.8	75.1	80.3	82.7	79.1	81.1
Total food	102.3	101.4	101.6	101.1	104.5	103.7	103.2	104.1	103.7	102.4
Animal products	102.0	98.2	100.9	98.6	102.5	102.1	100.8	100.4	100.5	99.7
Crop products ⁷	102.6	104.8	102.3	103.7	106.8	105.5	105.8	108.2	107.2	105.4

¹ Quantities of individual foods are combined in terms of 1967-69 retail prices. ² Preliminary. ³ Excludes butter. ⁴ Includes butter. ⁵ Excludes melons.

⁶ Excludes dry beans and peas, potatoes, and sweetpotatoes. ⁷ Includes melons, and tree nuts in addition to groups shown separately.

Note: Historical food consumption indexes may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 672, ERS, USDA.

Livestock and Products

Poultry and eggs

	Annual			1981		1982					
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July	
Broilers											
Federally Inspected slaughter, certified (mil. lb.)	10,916	11,272	11,906	1,037.4	899.0	1,050.2	1,015.8	997.6	1,077.3	—	
Wholesale price, 9-city, (cts./lb.)	44.4	46.8	46.3	50.2	44.5	44.8	42.6	45.8	47.0	46.1	
Price of broiler grower feed (\$/ton)	189	207	227	233	209	207	215	217	215	217	
Broiler-feed price ratio (lb.) ¹	2.8	2.7	2.6	2.6	2.6	2.4	2.6	2.7	2.7	2.6	
Average weekly placements of broiler chicks, 21 States (mil.)	76.8	77.9	77.1	79.4	79.3	83.0	84.1	84.8	84.4	81.2	
Turkeys											
Federally Inspected slaughter, certified (mil. lb.)	2,182	2,332	2,509	250.4	123.3	154.9	144.7	159.9	216.2	—	
Wholesale price, New York, 8-16 lb.											
young hens (cts./lb.)	68.1	63.6	60.7	66.8	55.8	56.0	55.8	58.8	61.8	64.1	
Price of turkey grower feed (\$/ton)	202	223	249	256	227	225	228	236	238	238	
Turkey-feed price ratio (lb.) ¹	4.1	3.5	3.1	3.3	2.9	3.0	3.0	2.9	3.2	3.4	
Poults hatched (mil.)	180.0	188.7	187.3	18.7	14.6	18.2	21.2	20.3	20.5	20.3	
Eggs											
Price of laying feed (\$/ton)	168	188	210	214	195	190	191	195	195	194	
Egg-feed price ratio (lb.) ¹	6.9	6.0	6.0	5.5	6.8	7.2	6.6	5.6	5.3	5.7	
Cartoned price, New York, grade A											
large (cts./doz.) ²	68.2	66.9	73.2	71.8	77.7	79.4	72.2	64.0	63.9	—	
Replacement chicks hatched (mil.)	519	485	454	32.3	35.5	43.8	46.2	46.5	39.0	34.6	
Annual			* 1979/80			* 1980/81			* 1981/82		
1979	1980	1981	IV	I	II	III	IV	I	II	III	IV
Eggs											
Farm production (mil.)	69,325	69,671	69,633	17,472	17,459	17,554	17,185	17,406	17,370	17,407	
Average number of layers on farms (mil.)	289	288	287	292	293	285	282	288	290	283	
Rate of lay (eggs per layer)	240	242	243	59.6	59.7	61.6	60.9	60.5	59.8	61.6	
Annual			1980			1981			1982		
1979	1980	1981	IV	I	II	III	IV	I	II	III	IV
Stocks											
Eggs, shell (thou. cases)	38	38	31	28	19	18	25	20	38	19	
Eggs, frozen (mil. lb.)	25.3	23.4	24.3	30.7	25.3	24.2	22.7	27.2	23.7	19.4	
Broilers, beginning of period (mil. lb.)	20.1	30.6	22.4	30.9	25.1	26.8	26.5	33.6	30.0	28.8	
Turkeys, beginning of period (mil. lb.)	175.1	240.0	198.0	384.0	257.6	207.9	256.2	466.0	305.1	236.7	

¹ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. ² 19 States. ³ Price of cartoned eggs to volume buyers for delivery to retailers. ⁴ Marketing year quarters begin in December.

Dairy

	Annual			1981		1982					
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July	
Milk prices, Minnesota-Wisconsin.											
3.5% fat (\$/cwt.) ¹	10.91	11.88	12.57	12.53	12.46	12.45	12.45	12.43	12.42	12.42	12.42
Price of 16% dairy ration (\$/ton)	156	177	192	192	180	179	179	181	179	180	180
Milk-feed price ratio (lb.) ²	1.55	1.48	1.44	1.40	1.54	1.52	1.50	1.47	1.46	1.47	1.47
Wholesale prices:											
Butter, Grade A Chi. (cts./lb.)	122.4	139.3	148.0	147.9	147.5	147.8	147.4	147.2	147.3	147.6	147.6
A.m. cheese, Wls. assembly pt. (cts./lb.)	123.8	133.0	139.4	138.6	137.4	137.4	137.4	136.9	137.4	137.4	137.4
Nonfat dry milk, (cts./lb.) ³	80.0	88.4	93.1	92.6	93.1	93.1	93.0	92.9	93.1	93.1	93.1
USDA net removals (mil. lb.):											
Total milk equiv. (mil. lb.) ⁴	2,119.1	8,799.9	12,860.8	11,112.8	1,552.9	1,642.9	1,609.5	1,696.1	1,608.9	1,056.4	
Butter (mil. lb.)	81.8	257.0	351.5	17.7	56.7	52.2	44.5	48.4	39.2	18.1	
A.m. cheese (mil. lb.)	40.2	349.7	563.0	75.2	38.3	56.7	69.6	70.3	80.2	68.6	
Nonfat dry milk (mil. lb.)	255.3	634.3	851.3	70.0	71.9	92.0	95.0	93.6	120.7	98.3	
Annual			1980			1981			1982		
1979	1980	1981	IV	I	II	III	IV	I	II		
Milk:											
Total milk production (mil. lb.)	123,411	128,525	132,634	31,010	32,426	35,140	33,086	31,982	33,005	35,512	
Milk per cow (lb.)	11,488	11,889	12,147	2,856	2,981	3,226	3,029	2,913	2,999	3,226	
Number of milk cows (thou.)	10,743	10,810	10,919	10,857	10,877	10,892	10,925	10,981	11,005	10,985	
Stocks, beginning											
Total milk equiv. (mil. lb.) ⁴	8,730	8,599	12,958	12,884	12,958	15,358	19,534	19,813	18,377	18,020	
Commercial (mil. lb.)	4,475	5,419	5,752	6,116	5,752	5,868	5,921	5,255	5,398	5,166	
Government (mil. lb.)	4,254	3,180	7,207	6,768	7,207	9,490	13,613	14,558	12,980	12,855	
Imports, total equiv. (mil. lb.) ⁴	2,305	2,107	2,325	878	403	469	577	875	420	658	
Commercial disappearance											
milk equiv. (mil. lb.)	120,185	119,160	120,226	30,225	27,870	30,194	31,648	30,513	28,335	30,903	
Butter:											
Production (mil. lb.)	984.6	1,145.3	1,236.8	279.7	348.1	329.7	255.4	303.6	368.5	332.9	
Stocks, beginning (mil. lb.)	206.9	177.8	304.6	302.9	304.6	407.4	507.5	489.5	429.2	447.8	
Commercial disappearance (mil. lb.)	895.0	878.8	877.8	237.9	190.0	215.3	228.1	244.4	208.7	215.9	
American cheese:											
Production (mil. lb.)	2,189.9	2,374.8	2,584.8	568.1	634.8	734.6	608.9	606.7	655.5	740.9	
Stocks, beginning (mil. lb.)	378.8	406.6	591.5	585.6	591.5	644.9	828.0	886.4	889.1	817.1	
Commercial disappearance (mil. lb.)	2,113.1	2,023.9	2,090.8	535.4	517.4	503.3	526.3	544.0	529.9	521.5	
Other Cheese:											
Production (mil. lb.)	1,527.3	1,608.5	1,619.7	435.8	389.9	409.4	396.5	423.8	393.6	437.8	
Stocks, beginning (mil. lb.)	78.4	105.6	99.3	112.4	99.3	89.7	100.8	95.7	86.6	80.7	
Commercial disappearance (mil. lb.)	1,730.4	1,827.9	1,860.0	543.8	433.7	444.9	455.6	525.8	447.9	474.5	
Nonfat dry milk:											
Production (mil. lb.)	908.7	1,160.7	1,305.8	231.5	297.3	390.8	329.3	288.2	336.6	417.2	
Stocks, beginning (mil. lb.)	585.1	485.2	586.8	599.4	586.8	632.5	733.1	809.0	889.7	976.6	
Commercial disappearance (mil. lb.)	603.1	538.9	455.6	112.7	97.4	84.2	159.1	114.8	94.4	75.2	
Frozen dessert production (mil. gal.)⁵	1,152.1	1,168.4	1,169.4	241.2	249.8	326.7	348.0	244.8	251.1	585.8	

¹ Manufacturing grade milk. ²Pounds of 16% protein ration equal in value to 1 pound of milk. ³Prices paid f.o.b. Central States Production area, high heat spray process. ⁴Milk equivalent, fat-solids basis. ⁵Ice cream, ice milk, and sherbert.

Wool

	Annual			1981		1982					
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July	
U.S. wool price, Boston¹ (cts./lb.)											
218	245	278	283	263	244	240	240	240	240	240	240
257	265	292	291	282	282	277	269	259	259	257	
U.S. mill consumption, scoured											
Apparel wool (thou. lb.)	106,533	113,423	127,752	8,389	9,644	12,846	9,084	8,244	9,506	n.a.	
Carpet wool (thou. lb.)	10,513	10,020	10,567	769	864	1,030	738	890	776	n.a.	

¹ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2 3/4" and up. Prior to January 1976 reported as Territory fine, good French combing and staple. ² Wool price delivered at U.S. mills, clean basis, Australian 60/62's, type 64A (24 micron), including duty (25.5 cents). Duty in 1982 is 10.0 cents. Prior to January 1976 reported as: Australian 64's combing, excluding n.a. = not available.

Meat animals

	Annual				1981		1982				
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July	
Cattle on feed (7-States)											
Number on feed (thou. head) ¹	9,226	8,454	7,863	6,846	7,055	6,869	7,024	7,066	7,363	7,181	
Placed on feed (thou. head)	19,877	18,346	17,814	1,082	1,320	1,793	1,565	1,853	1,405	1,205	
Marketings (thou. head)	18,793	17,448	17,168	1,412	1,413	1,542	1,414	1,413	1,495	1,482	
Other disappearance (thou. head)	1,856	1,489	1,263	65	93	96	109	143	92	68	
Beef steer-corn price ratio											
Omaha (bu.) ²	28.7	25.1	22.2	21.5	25.9	26.5	26.5	27.2	26.5	26.1	
Hog-corn price ratio, Omaha (bu.) ³	18.1	14.6	15.5	15.9	20.1	19.8	19.8	21.8	22.1	23.3	
Market prices (\$ per cwt.)											
Slaughter cattle:											
Choice steers, Omaha	67.75	66.96	63.84	67.86	63.54	65.80	69.11	72.10	70.18	66.18	
Utility cows, Omaha	50.10	45.73	41.93	43.78	38.11	39.41	41.26	43.40	42.73	42.52	
Choice vealers, S. St. Paul	91.41	75.53	77.16	76.00	67.50	71.50	78.00	82.88	85.00	84.38	
Feeder cattle:											
Choice, Kansas City, 600-700 lb.	83.08	75.23	66.24	63.22	63.28	65.78	66.08	67.78	65.57	65.03	
Slaughter hogs:											
Barrows and gilts, 7-markets ⁴	42.06	40.04	44.45	50.66	49.49	49.38	52.08	58.14	59.16	59.83	
Feeder pigs:											
5 Mo. 40-50 lb. (per head)	35.26	30.14	35.40	32.88	39.96	52.04	55.94	57.84	53.12	53.26	
Slaughter sheep and lambs:											
Lambs, Choice, San Angelo	68.75	66.42	58.40	64.38	53.50	60.70	66.54	67.12	63.33	57.50	
Ewes, Good, San Angelo	32.82	24.68	26.15	26.75	26.50	31.80	26.12	21.44	24.38	26.88	
Feeder lambs:											
Choice, San Angelo	77.53	68.36	56.86	56.62	53.26	57.65	64.88	63.50	55.38	51.31	
Wholesale meat prices, Midwest											
Cholce steer beef, 600-700 lb.	101.62	104.44	99.84	107.23	101.24	103.82	109.50	115.14	111.21	102.61	
Canner and Cutter cow beef	100.23	92.45	84.06	85.17	78.44	83.46	80.98	82.18	81.11	80.94	
Pork loins, 8-14 lb.	91.35	84.87	96.56	105.70	102.17	95.45	105.81	115.68	122.12	121.29	
Pork bellies, 12-14 lb.	46.00	43.78	52.29	54.74	67.84	66.67	74.38	80.82	76.72	84.50	
Hams, skinned, 14-17 lb.	77.04	73.34	77.58	82.88	78.40	90.69	81.62	86.78	86.00	87.62	
	Annual				1981				1982		
	1979	1980	1981	July	I	II	III	IV	I	II	III
Cattle on feed (13-States):											
Number on feed (thou. head) ¹	11,233	10,399	9,845	9,845	8,666	8,646	8,210	9,028	8,818	—	
Placed on feed (thou. head)	23,923	22,548	21,874	4,816	5,590	5,275	6,193	5,567	5,766	—	
Marketings (thou. head)	22,599	21,306	21,164	5,557	5,113	5,460	5,034	5,438	5,194	—	
Other disappearance (thou. head)	2,158	1,796	1,527	438	497	251	341	339	409	—	
Hogs and pigs (10-States):⁴											
Inventory (thou. head) ¹	50,920	49,090	45,970	49,090	45,275	46,200	47,170	45,970	40,610	41,190	
Breeding (thou. head) ¹	7,114	6,840	8,021	8,840	6,500	6,355	6,357	6,021	5,578	5,689	
Market (thou. head) ¹	43,806	42,250	39,949	42,250	38,775	39,845	40,813	39,949	35,032	35,501	
Farrowings (thou. head)	10,912	10,527	9,821	2,192	2,750	2,461	2,418	1,977	2,391	2,237	
Pig crop (thou. head)	77,320	76,230	72,591	15,863	20,741	18,134	17,853	14,059	17,943	—	
Commercial slaughter (thou. head):⁵											
Cattle	33,678	33,807	34,953	8,586	8,496	8,879	8,992	8,669	8,641	—	
Steers	17,377	17,156	17,491	4,452	4,408	4,293	4,338	4,425	4,389	—	
Heifers	9,741	9,594	10,027	2,380	2,354	2,707	2,586	2,334	2,353	—	
Cows	5,930	6,332	6,643	1,577	1,526	1,660	1,880	1,737	1,685	—	
Bulls and stags	629	724	775	171	200	218	186	173	214	—	
Calves	2,823	2,588	2,798	687	594	715	802	770	674	—	
Sheep and lambs	5,017	5,539	6,008	1,449	1,439	1,520	1,600	1,602	1,537	—	
Hogs	89,099	96,074	91,575	23,678	22,594	21,277	24,026	21,725	20,710	—	
Commercial production (mill. lb.)											
Beef	21,262	21,470	22,214	5,559	5,436	5,541	5,676	5,449	5,363	—	
Veal	411	379	414	100	95	105	115	107	99	—	
Lamb and mutton	282	310	328	84	77	79	88	90	85	—	
Pork	15,270	16,432	15,717	4,076	3,881	3,606	4,155	3,695	3,550	—	

¹ Beginning of period. ² Bushels of corn equal in value to 100 pounds liveweight. ³ 220-240 lb. Beginning in January 230-240 lb. ⁴ Quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). ⁵ Intentions. * Classes estimated.

Crops and Products

Feed grains

	Marketing year ¹			1981		1982				
	1978/79	1979/80	1980/81	July	Feb	Mar	Apr	May	June	July
Wholesale prices:										
Corn, No. 2 yellow, St. Louis (\$/bu.)	2.51	2.73	3.35	3.34	2.61	2.66	2.78	2.78	2.75	2.68
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	4.00	4.65	5.36	5.29	4.26	4.28	4.45	4.48	4.50	4.38
Barley, feed, Minneapolis (\$/bu.)	1.80	2.16	2.60	2.26	2.27	2.16	2.16	2.24	2.12	1.85
Barley, malting, Minneapolis (\$/bu.)	2.38	2.87	3.64	2.95	3.14	2.99	2.98	3.05	2.93	2.63
Exports:										
Corn (mil. bu.)	2,133	2,433	2,355	148	148	190	196	213	180	121
Feed grains (mil. metric tons) ²	60.2	71.3	69.3	4.7	4.4	5.6	5.4	5.8	5.0	3.7
	Marketing year ¹			1980		1981			1982	
	1978/79	1979/80	1980/81	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May
Corn:										
Stocks, beginning (mil. bu.)	1,111	1,304	1,617	1,618	5,859	3,987	2,774	1,034	6,899	5,075
Domestic use:										
Feed (mil. bu.)	4,323	4,519	4,139	1,523	1,100	885	831	1,621	1,182	665
Food, seed, Ind. (mil. bu.)	620	675	735	152	139	133	311	170	152	147
Feed grains: ³										
Stocks, beginning (mil. metric tons)	41.4	46.2	52.4	60.4	172.9	117.4	80.7	45.5	205.3	149.0
Domestic use:										
Feed (mil. metric tons)	135.9	138.7	123.0	45.6	32.1	20.8	24.8	49.0	36.3	20.0
Food, seed, Ind. (mil. metric tons)	20.9	22.3	23.8	4.9	4.7	4.6	9.5	5.3	5.2	5.0

¹ Beginning October 1 for corn and sorghum; June 1 for oats and barley. ² Aggregated data for corn, sorghum, oats, and barley.

Food grains

	Marketing year ¹			1981		1982				
	1978/79	1979/80	1980/81	July	Feb	Mar	Apr	May	June	July
Wholesale prices:										
Wheat, No. 1 HRW, Kansas City (\$/bu.) ²	3.38	4.25	4.45	4.25	4.26	4.25	4.28	4.22	4.06	3.74
Wheat, DNS, Minneapolis (\$/bu.) ²	3.17	4.16	4.46	4.18	4.17	4.10	4.21	4.16	4.08	4.08
Flour, Kansas City (\$/cwt.)	7.81	10.03	10.35	10.28	10.70	10.64	10.42	10.33	10.26	10.21
Flour, Minneapolis (\$/cwt.)	8.17	10.27	10.96	10.81	10.95	10.74	10.54	10.55	10.50	10.54
Rice, S.W. La. (\$/cwt.) ³	18.40	22.15	25.95	27.50	18.60	18.00	17.55	17.60	17.20	17.00
Wheat:										
Exports (mil. bu.)	1,194	1,375	1,514	142	149	165	159	123	182	—
Mill grind (mil. bu.)	622	630	643	51	53	57	50	49	50	52
Wheat flour production (mil. cwt.)	278	283	289	23	24	25	22	22	22	23
	Marketing year ¹			1981		1982				
	1978/79	1979/80	1980/81	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept p
Wheat:										
Stocks, beginning (mil. bu.)	1,178	924	902	1,903	1,329	989	2,734	2,176	1,557	1,169
Domestic use:										
Food (mil. bu.)	592	596	611	150	96	202	159	151	98	—
Feed and seed (mil. bu.) ⁴	245	187	165	24	20	225	28	27	18	—
Exports (mil. bu.)	1,194	1,375	1,514	400	224	622	427	441	282	—

¹ Beginning June 1 for wheat and August 1 for rice. ² Ordinary protein. ³ Long-grain, milled basis. ⁴ Feed use approximated by residual. p = preliminary.

Fats and oils

	Marketing year ¹			1981		1982				
	1978/79	1979/80	1980/81	July	Feb	Mar	Apr	May	June	July
Soybeans:										
Wholesale price, No. 1 yellow, Chicago (\$/bu.)	7.09	6.46	7.59	7.28	6.21	6.16	6.48	6.56	6.27	6.18
Crushings (mil. bu.)	1,017.8	1,123.0	1,020.5	72.3	86.7	85.1	81.0	86.6	77.1	—
Exports (mil. bu.)	753.0	875.0	724.3	29.6	89.4	79.0	85.7	90.6	59.8	—
Soybean oil:										
Wholesale price, crude, Decatur (cts./lb.)	27.2	24.3	22.5	22.8	18.2	18.5	19.7	20.6	19.4	19.0
Production (mil. lb.)	11,323.4	12,105.3	11,269.3	815.8	917.7	912.1	866.8	930.3	828.4	—
Domestic disappearance (mil. lb.)	8,941.7	8,980.7	9,122.6	833.9	760.3	784.8	748.0	920.9	744.3	—
Exports (mil. lb.)	2,334.0	2,690.0	1,626.7	96.0	176.7	126.5	148.5	103.3	208.0	—
Stocks, beginning (mil. lb.)	729.0	776.0	1,210.0	2,024.4	2,160.0	2,140.6	2,141.4	2,111.6	2,017.7	1,893.7
Soybean meal:										
Wholesale price, 44% protein, Decatur (\$/ton)	190.06	181.91	218.18	204.1	191.0	183.6	190.3	192.4	183.6	181.9
Production (thou. ton)	24,354.4	27,105.1	24,316.7	1,734.4	2,077.4	2,049.9	1,930.5	2,066.0	1,844.3	—
Domestic disappearance (thou. ton)	1,772.0	19,238.4	17,612.1	1,466.7	1,139.4	1,471.1	1,269.5	1,285.0	1,471.0	—
Exports (thou. ton)	6,610.0	7,908.0	6,767.5	320.0	928.8	713.4	679.2	643.8	457.7	—
Stocks, beginning (thou. ton)	243.0	267.4	225.6	241.1	315.7	324.9	190.3	172.1	309.3	224.9
Margarine, wholesale price, Chicago (cts./lb.)	43.5	50.3	47.0	43.0	39.6	40.3	41.0	42.2	42.5	42.4

¹ Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year for margarine. ² Beginning April 1, 1982 prices based on 30 day delivery, using upper end of the range.

Cotton

	Marketing year ¹			1981		1982				
	1978/79	1979/80	1980/81	July	Feb	Mar	Apr	May	June	July
U.S. price SLM, 1-1/16 in. (cts./lb.) ²	61.6	71.5	83.0	75.1	57.3	59.7	62.0	62.4	61.1	65.0
Northern Europe prices:										
Index (cts./lb.) ³	n.a.	n.a.	93.3	83.5	70.0	70.4	71.5	76.7	75.6	78.5
U.S. M 1-3/32" (cts./lb.) ⁴	n.a.	n.a.	n.a.	n.a.	72.5	74.7	77.4	78.9	75.4	80.6
U.S. mill consumption (thou. bales)	6,434.8	6,463.0	5,870.5	402.2	413.9	518.0	431.2	411.4	474.3	—
Exports (thou. bales)	6,180.2	9,228.9	5,925.8	278.2	792.3	924.0	709.7	509.1	523.2	—

¹ Beginning August 1. ² Average spot market. ³ Liverpool Outlook "A" index; average of five lowest priced of 10 selected growths. ⁴ Memphis territory growths. n.a. = not available.

Fruit

	Annual			1981		1982				
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July
Wholesale price indexes:										
Fresh fruit (1967=100)	230.4	237.3	226.7	223.9	250.8	230.0	243.2	244.7	221.1	215.4
Dried fruit (1967=100)	479.6	399.2	405.9	408.7	410.0	410.0	410.0	407.2	407.2	407.2
Canned fruit and juice (1967=100)	240.2	256.4	273.8	273.9	286.5	285.1	284.3	284.1	287.1	285.1
Frozen fruit and juice (1967=100)	248.5	244.3	302.8	316.4	313.7	318.0	313.2	306.4	302.3	302.7
F.o.b. shipping point prices:										
Apples, Yakima Valley (\$/ctn.) ¹	n.a.	n.a.	n.a.	12.49	² 14.50	³ 14.41	³ 14.09	³ 14.63	³ 15.55	³ 13.43
Pears, Medford, Or. (\$/box) ²	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Oranges, U.S. avg. (\$/box)	12.50	9.58	11.00	12.20	13.40	12.80	13.10	15.40	16.80	17.10
Grapefruit, U.S. avg. (\$/box)	8.00	8.50	10.10	13.80	11.30	8.64	8.97	9.23	9.95	11.00
Year Ending				1980	1981					1982
1979	1980	1981	June	Mar	June	Sept	Dec	Mar	June	
Stocks, ending:										
Fresh apples (mil. lb.)	2,624.5	2,790.2	3,244.6	140.2	1,486.1	184.9	1,424.9	2,676.0	1,055.2	276.9
Fresh pears (mil. lb.)	195.3	157.6	205.0	n.a.	73.8	n.a.	515.6	207.9	72.1	n.a.
Frozen fruit (mil. lb.)	517.9	563.3	579.5	415.4	450.9	406.1	563.1	520.6	374.5	347.2
Frozen fruit juices (mil. lb.)	714.0	733.1	1,008.4	1,816.3	1,513.9	1,866.8	1,341.3	1,127.2	1,765.8	1,885.3

¹ Red Delicious, Washington extra fancy, carton tray pack, 80-113's. ² D'Anjou pears, Medford, or wrapped, U.S. No. 1, 100-135's. ³ Control atmosphere storage. n.a. = not available.

Vegetables

	Annual			1981		1982					
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July	
Wholesale prices:											
Potatoes, white, f.o.b. East (\$/cwt.) . . .	4.54	6.32	9.39	6.40	6.55	6.48	7.27	7.99	10.56	6.30	
Iceberg lettuce (\$/crtn.) ¹	5.10	4.25	5.27	6.95	5.86	5.19	8.09	4.78	4.18	5.26	
Tomatoes (5/crtn.) ²	7.86	7.57	9.06	7.55	8.64	8.04	5.22	7.76	10.20	6.09	
Wholesale price index, 10 canned											
veg. (1967=100)	191	200	235	239	242	239	241	242	243	242	
Grower price index, fresh commercial											
veg. (1977=100)	109	110	133	131	161	129	123	112	116	113	

¹ Std. carton 24's f.o.b. shipping point. ² 5 x 6.6 x 6, f.o.b. Fla-Cal.

Sugar

	Annual			1981		1982					
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July	
U.S. raw sugar price, N.Y. (cts./lb.) ¹ . . .	15.56	30.11	19.73	19.09	17.77	17.13	17.89	19.57	21.03	22.15	
U.S. deliveries (thou. short tons) ^{2,3}	10.714	10,149	9,731	877	637	n.a.	n.a.	n.a.	n.a.	n.a.	

¹ Spot price reported by N.Y. Coffee and Sugar Exchange. Reporting resumed in mid August 1979 after being suspended November 3, 1977. ² Raw value. ³ Excludes Hawaii. n.a. = not available.

Tobacco

	Annual			1981		1982					
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July	
Prices at auctions:											
Flue-cured (cts./lb.) ¹	140.0	144.5	166.4	160.0	—	—	—	—	—	—	151.5
Burley (cts./lb.) ¹	145.2	165.9	180.6	—	180.5	—	—	—	—	—	—
Domestic consumption²											
Cigarettes (bill.)	614.0	620.7	641.5	51.1	52.9	57.4	48.4	48.2	60.6	n.a.	
Large cigars (mil.)	4,298	3,994	3,920	287.7	276.5	328.2	300.7	317.2	348.6	n.a.	

¹ Crop year July-June for flue-cured, October-September for burley. ² Taxable removals. n.a. = not available.

Coffee

	Annual			1981		1982					
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July	
Composite green price, N.Y. (cts./lb.) . . .											
Imports, green bean equivalent (mil. lb.) ¹ . . .	169.50	157.78	122.10	113.76	140.08	136.01	131.81	128.49 p	129.07	125.11	
	2,656	2,466	2,248	128	161	203	154	199	185	160 F	
Annual											
	1979	1980	1981	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar	Apr-June F	July-Sept F	
Roastings (mil. lb.) ²	2,249	2,255	2,324	627	524	516	657	615	500	490	

¹ Green and processed coffee. ² Instant soluble and roasted coffee. p = preliminary. F = Forecast.

Supply and Utilization: Crops

Supply and utilization: domestic measure¹

	Area		Yield	Production	Total Supply ¹	Feed and Residual	Other domestic use	Exports	Total use	Ending stock ²	Farm price ³
	Planted	Harvested									
	Mil. acres	Bu/acre									
Wheat:											
1978/79	66.0	56.5	31.4	1,776	2,955	158	679	1,194	2,031	924	2.97
1979/80	71.4	62.5	34.2	2,134	3,060	86	697	1,375	2,158	902	3.78
1980/81*	80.6	71.0	33.4	2,374	3,279	51	725	1,514	2,290	989	3.91
1981/82*	88.9	80.9	34.5	2,793	3,785	141	712	1,773	2,626	1,159	3.65
1982/83*	87.2	79.0	35.1	2,769	3,930	125	715	1,775	2,615	1,315	3.45-3.65
Rice:											
1978/79	2.99	2.97	4,484	133.2	160.7	74.2	49.2	75.7	129.1	31.6	8.16
1979/80	2.89	2.87	4,599	131.9	163.6	76.1	49.2	82.6	137.9	25.7	10.50
1980/81*	3.38	3.31	4,413	146.2	172.1	79.7	54.5	91.4	155.6	16.5	12.80
1981/82*	3.84	3.80	4,873	185.4	202.3	75.0	56.5	82.1	143.6	58.7	9.25
1982/83*	3.32	3.29	4,735	155.6	214.7	75.0	59.0	91.2	155.2	59.5	8.25-9.75
Corn:											
1978/79	81.7	71.9	101.0	7,268	8,380	4,323	620	2,133	7,076	1,304	2.25
1979/80	81.4	72.4	109.7	7,939	9,244	4,519	675	2,433	7,627	1,617	2.52
1980/81*	84.0	73.0	91.0	6,645	8,263	4,139	735	2,355	7,229	1,034	3.11
1981/82*	84.2	74.6	109.9	8,201	9,236	4,300	785	2,075	7,160	2,076	2.50
1982/83*	81.9	73.0	113.9	8,315	10,391	4,400	850	2,350	7,600	2,791	2.35-2.55
Sorghum:											
1978/79	16.2	13.4	54.5	731	922	545	11	207	762	160	2.01
1979/80	15.3	12.9	62.7	809	969	484	13	325	822	147	2.34
1980/81*	15.6	12.5	46.3	579	726	307	11	299	617	109	2.94
1981/82*	16.0	13.7	64.1	880	989	430	11	275	716	273	2.30
1982/83*	15.8	13.8	60.1	829	1,102	450	11	275	736	366	2.20-2.40
Barley:											
1978/79	10.0	9.2	49.2	455	638	217	167	26	410	228	1.92
1979/80	8.1	7.5	50.9	363	623	204	172	55	431	192	2.29
1980/81*	8.3	7.3	49.6	361	563	174	175	77	426	137	2.85
1981/82*	9.7	9.2	52.3	478	625	201	175	100	476	149	2.50
1982/83*	9.6	9.2	55.4	509	668	215	177	75	467	201	2.25-2.45
Oats:											
1978/79	16.4	11.1	52.3	582	896	526	77	13	616	280	1.20
1979/80	14.0	9.7	54.4	527	808	492	76	4	572	236	1.36
1980/81*	13.4	8.7	53.0	458	696	432	74	13	519	177	1.79
1981/82*	13.6	9.4	54.0	508	686	452	75	7	534	152	1.90
1982/83*	—	—	57.0	591	744	460	75	10	545	199	1.60-1.80
Soybeans:											
1978/79	64.7	63.7	29.4	1,869	2,030	499	1,018	739	1,856	174	6.66
1979/80	71.6	70.6	32.1	2,268	2,442	485	1,123	875	2,083	359	6.28
1980/81*	70.0	67.9	26.4	1,792	2,151	489	1,020	724	1,833	318	7.57
1981/82*	68.1	66.7	30.4	2,030	2,348	4118	1,040	920	2,078	270	6.06
1982/83*	72.3	71.0	32.3	2,293	2,563	493	1,100	950	2,143	420	5.25-6.25
Soybean oil:											
1978/79	—	—	—	11,323	12,052	—	8,942	2,334	11,276	776	27.2
1979/80	—	—	—	12,105	12,881	—	8,981	2,690	11,671	1,210	24.3
1980/81*	—	—	—	11,270	12,480	—	9,115	1,629	10,744	1,736	22.7
1981/82*	—	—	—	11,074	12,810	—	9,550	1,950	11,500	1,310	19.0
1982/83*	—	—	—	11,990	13,300	—	9,850	2,100	11,950	1,350	16.0-20.0
Soybean meal:											
1978/79	—	—	—	24,354	24,597	—	17,720	6,610	24,330	267	190.1
1979/80	—	—	—	27,105	27,372	—	19,214	7,932	27,146	226	181.9
1980/81*	—	—	—	25,312	24,538	—	17,597	8,778	24,375	163	218.2
1981/82*	—	—	—	24,882	25,045	—	17,700	7,100	24,800	245	185
1982/83*	—	—	—	26,235	26,480	—	18,360	7,850	26,210	270	150-180

See footnotes at end of table.

Supply and utilization—domestic measure, continued

	Area		Yield	Production	Total Supply ¹	Feed and Resid. use	Other domes- tic use	Exports	Total use	Ending stocks	Farm price ³
	Planted	Harvested									
	Mil. acres	lb/acre									
Mil. bales											
Cotton:											
1978/79	13.4	12.4	420	10.9	16.2	—	6.4	6.2	12.5	4.0	\$58.4
1979/80	14.0	12.8	547	14.6	18.8	—	6.5	9.2	15.7	3.0	\$62.5
1980/81*	14.5	13.2	404	11.1	14.1	—	5.9	5.9	11.8	2.7	\$74.7
1981/82*	14.3	13.8	543	15.6	18.3	—	5.3	6.6	11.9	6.6	—
1982/83*	11.5	9.5	56.3	11.1	17.8	—	5.6	6.7	12.3	5.6	—

Supply and utilization—metric measure⁶

	Mil. hectares		Metric tons/ha	Production	Total Supply ¹	Feed and Resid. use	Other domes- tic use	Exports	Total use	Ending stocks	\$/metric ton
	Planted	Harvested									
	Mil. metric tons										
Mil. metric tons (rough equiv.)											
Wheat:											
1978/79	26.7	22.9	2.11	48.3	80.4	4.3	18.5	32.5	55.3	25.1	109
1979/80	28.9	25.3	2.30	58.1	83.3	2.3	19.0	37.4	58.7	24.5	139
1980/81*	32.6	28.7	2.25	64.6	89.2	1.4	19.7	41.2	62.3	26.9	144
1981/82*	36.0	32.7	2.32	76.0	103.0	3.8	19.4	48.3	71.5	31.5	134
1982/83*	35.3	32.0	2.36	75.4	107.0	3.4	19.5	48.3	71.2	35.8	127-134
Mil. metric tons											
Rice:											
1978/79	1.2	1.2	5.03	6.0	7.3	7.02	2.3	3.4	5.9	1.4	180
1979/80	1.2	1.2	5.15	6.0	7.4	7.03	2.2	3.7	8.2	1.2	231
1980/81*	1.4	1.3	4.95	6.6	7.8	7.04	2.5	4.2	7.1	0.7	282
1981/82*	1.6	1.5	5.46	8.4	9.2	7.02	2.6	3.7	6.5	2.7	204
1982/83*	1.3	1.3	5.31	7.1	9.7	7.02	2.7	4.1	7.0	2.7	182-215
Mil. metric tons											
Corn:											
1978/79	33.1	29.1	6.34	184.6	212.8	109.8	15.7	54.2	179.7	33.1	89
1979/80	32.9	29.3	6.88	201.6	234.8	114.8	17.1	61.8	193.7	41.1	99
1980/81*	34.0	29.5	5.72	168.8	209.9	105.1	18.7	59.8	183.6	26.3	122
1981/82*	34.1	30.2	6.90	208.3	234.6	109.2	20.0	52.7	181.9	52.7	98
1982/83*	33.1	29.5	8.62	211.2	263.9	111.8	21.6	59.7	193.0	70.9	93-100
Mil. metric tons											
Feed Grain:											
1978/79	50.3	42.7	5.19	221.5	263.2	135.9	20.9	60.2	217.0	46.2	—
1979/80	48.1	41.5	5.74	238.2	284.7	138.7	22.3	71.3	232.3	52.4	—
1980/81*	49.1	41.1	4.82	198.0	250.7	123.0	23.8	69.3	216.1	34.6	—
1981/82*	50.0	43.3	5.74	248.4	283.3	131.1	25.1	62.0	218.2	65.1	—
1982/83*	49.2	43.1	5.84	251.9	317.3	134.6	26.8	68.5	229.8	87.5	—
Mil. metric tons											
Soybeans:											
1978/79	26.2	25.8	1.98	50.9	55.3	4.27	27.7	20.1	50.6	4.7	245
1979/80	29.0	28.6	2.16	61.7	66.5	4.23	30.6	23.8	56.7	9.8	231
1980/81*	28.4	27.5	1.78	48.8	58.5	4.24	27.8	19.7	49.9	8.7	278
1981/82*	27.7	27.0	2.05	55.3	63.9	4.32	28.3	25.0	56.5	7.4	222
1982/83*	—	—	—	62.4	69.8	4.25	29.9	25.9	58.3	11.4	193-230
\$/kg											
Soybean oil:											
1978/79	—	—	—	5.14	5.47	—	4.06	1.06	5.12	.35	597
1979/80	—	—	—	5.49	5.84	—	4.07	1.22	5.29	.55	536
1980/81*	—	—	—	5.11	5.66	—	4.14	.74	4.88	.79	500
1981/82*	—	—	—	5.02	5.81	—	4.33	.88	5.21	.59	419
1982/83*	—	—	—	5.44	6.03	—	4.47	.95	5.42	.62	353-441
\$/kg											
Soybean meal:											
1978/79	—	—	—	22.09	22.31	—	16.08	6.00	22.07	.24	209
1979/80	—	—	—	24.59	24.83	—	17.43	7.20	24.63	.20	201
1980/81*	—	—	—	22.06	22.26	—	15.96	6.15	22.11	.15	241
1981/82*	—	—	—	22.57	22.77	—	16.06	6.44	22.50	.22	204
1982/83*	—	—	—	23.80	24.02	—	16.66	7.12	23.78	.25	165-198

August 12, 1982 Supply and Demand Estimates. ¹ Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, soymeal, and soyoil. ² Includes imports. ³ Season average. ⁴ Includes seed. ⁵ Upland and extra long staple. Stock estimates based on Census Bureau data which results in an unaccounted difference between supply and use estimates and changes in ending stocks. ⁶ Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.048 cwt. of rice, and 4.59 480-pound bales of cotton. ⁷ Statistical discrepancy.

General Economic Data

Gross national product and related data

	Annual			1981				1982	
	1979	1980	1981	I	II	III	IV	I	II
\$ BIL. (Quarterly data seasonally adjusted at annual rates)									
Gross national product¹	2,417.8	2,633.1	2,937.7	2,864.9	2,901.8	2,980.9	3,003.2	2,995.5	3,041.2
Personal consumption expenditures	1,507.2	1,667.2	1,843.2	1,799.9	1,819.4	1,868.8	1,884.5	1,919.4	1,945.8
Durable goods	212.3	214.3	234.6	236.9	230.4	241.2	229.6	237.9	240.2
Non durable goods	602.2	670.4	734.5	720.6	729.6	741.3	746.5	749.1	756.0
Clothing and shoes	99.1	104.7	114.6	112.3	114.0	115.9	116.0	117.5	118.6
Food and beverages	311.6	343.7	375.3	368.8	372.1	378.0	382.3	387.9	394.7
Services	696.3	782.5	874.1	942.4	859.4	886.3	908.3	932.4	950.6
Gross Private domestic investment	415.8	402.3	471.5	455.7	475.5	486.0	468.9	414.8	429.7
Fixed Investment	398.3	412.4	451.1	443.5	450.9	454.2	455.7	450.4	447.0
Nonresidential	290.2	309.2	346.1	330.0	341.3	353.0	360.2	357.0	351.9
Residential	118.6	103.2	104.9	113.6	109.5	101.2	95.5	93.4	95.2
Change in business inventories	14.3	-10.0	20.5	12.2	24.6	31.8	13.2	-35.6	-17.4
Net exports of goods and services	13.2	25.2	26.1	31.2	23.7	25.9	23.5	31.3	35.1
Exports	281.3	339.2	367.3	365.4	368.9	367.2	367.9	359.9	365.3
Imports	267.9	314.0	341.3	334.2	345.1	341.3	344.4	328.6	330.2
Government purchases of goods and services	474.4	538.4	596.9	578.1	583.2	600.2	626.3	630.1	630.6
Federal	167.9	197.2	228.9	217.0	218.2	230.0	250.5	249.7	244.5
State and local	305.9	341.2	368.0	361.1	385.0	370.1	375.7	380.4	386.0
1972 \$ BIL. (Quarterly data seasonally adjusted at annual rates)									
Gross national product	1,479.4	1,474.0	1,502.6	1,507.8	1,502.2	1,510.4	1,490.1	1,470.7	1,475.3
Personal consumption expenditures	927.6	930.5	947.6	951.1	944.6	951.4	943.4	949.1	953.8
Durable goods	146.6	137.1	140.0	145.3	138.6	142.2	134.1	137.5	138.0
Non durable goods	354.6	355.8	362.4	361.6	361.7	363.0	363.1	362.2	364.6
Clothing and shoes	76.7	78.0	82.7	82.1	82.6	83.1	83.0	83.8	84.2
Food and beverages	176.1	180.2	181.4	181.4	181.3	180.9	182.0	181.7	182.9
Services	429.6	437.6	445.2	444.2	444.3	446.2	446.2	449.5	451.2
Gross Private domestic investment	232.6	208.4	225.8	221.6	229.5	233.4	218.9	195.4	201.0
Fixed investment	222.5	213.3	216.9	219.2	217.4	216.9	214.1	210.8	206.3
Nonresidential	169.9	166.1	172.0	169.7	170.1	173.9	174.2	172.0	166.4
Residential	59.1	47.2	44.9	49.6	47.3	42.9	39.9	38.9	39.9
Change in business inventories	7.3	-5.0	9.0	2.4	12.1	16.5	4.8	-15.4	-5.3
Net exports of goods and services	37.2	50.6	42.0	48.2	44.2	39.2	36.5	36.9	35.7
Exports	146.9	159.2	158.5	159.3	159.7	157.8	156.9	151.7	154.0
Imports	109.2	108.6	116.4	111.1	115.5	118.7	120.4	114.7	118.3
Government Purchases of goods and services	278.3	284.6	287.1	286.8	283.9	286.4	291.3	289.2	284.7
Federal	101.7	106.5	110.4	107.9	107.0	110.7	116.0	114.4	109.8
State and local	180.1	178.1	176.7	179.0	176.9	175.7	175.3	174.9	174.9
New plant and equipment expenditures (\$bil.)	270.46	295.63	321.49	312.24	316.73	328.25	327.83	327.72	323.75
Implicit price deflator for GNP (1972=100)	163.42	178.64	195.51	190.01	193.17	197.36	201.55	203.68	206.14
Disposable Income (\$bil.)	1,641.7	1,824.1	2,029.1	1,958.7	1,996.5	2,060.0	2,101.4	2,117.1	2,154.5
Disposable Income (1972 \$bil.)	1,011.5	1,018.0	1,043.1	1,035.0	1,036.6	1,048.8	1,051.9	1,046.9	1,056.1
Per capita disposable income (\$)	7,331	8,012	8,827	8,551	8,698	8,951	9,107	9,155	9,287
Per capita disposable income (1972 \$)	4,512	4,472	4,538	4,519	4,516	4,557	4,559	4,527	4,553
U.S. population, tot. incl. military abroad (mil.)	225.1	227.7	229.9	229.1	229.5	230.1	230.7	231.2	231.7
Civilian population (mil.)*	223.0	225.6	227.7	226.9	227.3	227.9	228.5	229.0	229.5

See footnotes at end of next table.

Selected monthly indicators

	Annual			1981		1982				
	1979	1980	1981 p	July	Feb	Mar	Apr	May	June	July p
Monthly data seasonally adjusted except as noted										
Industrial production, total ¹ (1967=100)	152.5	147.0	151.0	153.9	142.9	141.7	140.2	139.2	138.2	138.1
Manufacturing (1967=100)	153.6	146.7	150.4	153.2	140.9	140.1	138.7	137.8	137.1	137.1
Durable (1967=100)	146.4	136.7	140.5	143.8	129.3	128.2	126.7	126.0	125.3	125.2
Nondurable (1967=100)	164.0	161.2	164.6	167.1	157.8	157.3	156.1	154.9	154.2	154.2
Leading economic indicators ^{1,3} (1967=100)	140.1	131.2	133.1	134.8	125.2	125.1	126.8	127.7	128.1	129.8
Employment ⁴ (Mil. persons)*	96.9	97.3	100.4	100.9	99.6	99.5	99.3	100.1	99.8	99.7
Unemployment rate ⁴ (%)	5.8	7.1	7.6	7.2	8.8	9.0	9.4	9.5	9.5	9.8
Personal income ¹ (\$ bil. annual rate)	1,951.2	2,160.4	2,415.8	2,436.3	2,513.8	2,518.6	2,535.8	2,557.4	2,567.3	2,592.3
Hourly earnings in manufacturing ^{4,6} (\$)	6.70	7.27	7.99	8.02	8.34	8.37	8.42	8.45	8.50	8.55
Money stock-M1 (daily avg.) (\$bil.) ²	389.0	414.5	440.9	429.4	447.3	448.3	452.4	451.5	451.4	451.4
Money stock-M2 (daily avg.) (\$bil.) ²	1,518.9	1,656.1	1,822.7	1,753.7	1,848.0	1,865.2	1,880.7	1,897.5	1,907.9	1,922.7
Three-month Treasury bill rate ² (%)	10.041	11.506	14.077	14.699	13.780	12.493	12.821	12.148	12.108	11.914
Aaa corporate bond yield (Moody's) ^{6,7} (%)	9.63	11.94	14.17	14.38	15.27	14.58	14.46	14.26	14.81	14.61
Interest rate on new home mortgages ^{8,9} (%)	10.78	12.66	14.70	14.72	15.12	15.67	15.84	15.89	15.40	15.70
Housing starts, Private (incl. farm) (thou.)	1,745.1	1,292.2	1,084.2	1,040	945	931	882	1,066	906	1,211
Auto sales at retail, total ¹ (mil.)	10.6	9.0	8.5	8.2	8.6	7.9	7.2	8.2	7.0	7.4
Business sales, total ¹ (\$ bil.)	294.6	321.5	350.6	356.3	342.7	343.3	339.4	349.1	344.5 p	—
Business inventories, total ¹ (\$ bil.)	423.8	464.9	497.2	501.4	508.3	507.6	514.9	510.4	512.0 p	—
Sales of all retail stores (\$ bil.) ¹	74.5	79.3	86.6	87.3	87.7	87.3	88.3	90.8	87.9 p	88.7
Durable goods stores (\$ bil.)	25.4	24.7	27.2	27.8	26.8	27.0	28.0	29.4	27.1 p	27.5
Non durable goods stores (\$ bil.)	49.1	54.6	59.4	59.5	60.8	60.3	60.3	61.4	60.8 p	61.2
Food stores (\$ bil.)	16.3	18.1	19.8	19.9	20.4	20.3	20.6	21.0	20.6 p	20.6
Eating and drinking places (\$ bil.)	6.6	7.2	7.9	7.8	8.5	8.3	8.4	8.5	8.6 p	8.6
Apparel and accessory stores (\$ bil.)	3.5	3.7	4.0	4.0	4.3	4.2	4.0	4.2	4.1 p	4.2

¹ Department of Commerce. ² Board of Governors of the Federal Reserve System. ³ Composite index of 12 leading indicators. ⁴ Department of Labor, Bureau of Labor Statistics. ⁵ Not seasonally adjusted. ⁶ December of the year listed. ⁷ Moody's Investors Service. ⁸ Federal Home Loan Bank Board. ⁹ Adjusted for seasonal variations, holidays, and trading day differences. p = preliminary. *Data for 1981 have been revised based on 1980 census population count.

U.S. Agricultural Trade

Prices of principal U.S. agricultural trade products

	Annual			1981		1982				
	1979	1980	1981	July	Feb	Mar	Apr	May	June	July
Export commodities:										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	4.45	4.78	4.80	4.62	4.71	4.62	4.65	4.56	4.14	4.15
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	3.01	3.28	3.40	3.57	2.92	2.95	3.05	3.04	2.97	2.87
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.) . .	2.85	3.38	3.28	3.27	2.92	2.92	2.98	3.03	2.90	2.67
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	7.59	7.39	7.40	7.64	6.63	6.53	6.81	6.92	6.56	6.55
Soybean oil, Decatur (cts./lb.)	27.59	23.63	21.07	22.88	18.32	18.47	19.52	20.54	19.36	19.03
Soybean meal, Decatur (\$/ton)	191.08	196.47	218.65	204.89	191.26	184.78	190.67	192.00	183.89	180.69
Cotton, 10 market avg. spot (cts./lb.)	61.81	81.13	71.93	75.07	57.24	59.73	62.02	62.44	61.10	64.96
Tobacco, avg. price of auction (cts./lb.)	132.15	142.29	156.48	157.44	169.97	169.97	168.94	168.94	169.51	161.00
Rice, f.o.b. mill, Houston (\$/cwt.)	20.25	21.89	25.63	26.99	20.20	19.20	19.00	19.00	18.79	17.75
Inedible tallow, Chicago (cts./lb.)	23.45	18.52	15.27	15.19	13.40	14.13	14.44	14.50	14.31	13.63
Import commodities:										
Coffee, N.Y. spot (\$/lb.)	1.74	1.84	1.27	1.23	1.49	1.44	1.41	1.39	1.41	1.40
Sugar, N.Y. spot (cts./lb.)	15.61	30.10	19.73	19.10	17.17	17.13	17.9	19.57	21.03	22.15
Rubber, N.Y. spot (cts./lb.)	64.57	73.80	56.79	55.43	47.25	47.25	45.83	46.04	46.33	46.77
Cocoa beans, N.Y. (\$/lb.)	1.44	1.14	.90	.88	.96	.84	.75	.73	.66	.66
Bananas, f.o.b. port of entry (\$/40-lb. box)	5.91	6.89	7.28	5.98	6.95	7.65	8.64	7.95	7.25	5.94

U.S. agricultural exports

	October-June				June			
	1980/81	1981/82	1980/81	1981/82	1981	1982	1981	1982
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excluding poultry	—	—	124,878	160,169	—	—	10,229	17,875
Meat and preps., excluding poultry (mt)	345	344	794,028	773,437	42	43	81,524	100,721
Dairy products, excluding eggs	—	—	160,064	297,891	—	—	28,256	32,304
Poultry and poultry products	—	—	587,119	470,521	—	—	73,394	42,767
Grains and preparations	—	—	15,726,954	12,949,663	—	—	1,481,846	1,410,464
Wheat and wheat flour (mt)	30,019	35,193	5,741,687	6,016,381	3,504	4,362	633,044	694,495
Rice, milled (mt)	1,318	1,571	684,672	713,098	150	140	84,028	55,399
Feed grains, excluding products (mt)	54,907	47,251	8,449,261	5,768,839	4,542	4,979	688,718	599,195
Other	—	—	851,334	451,345	—	—	76,056	61,375
Fruits, nuts, and preparations	—	—	1,612,279	1,518,575	—	—	163,413	159,115
Vegetables and Preparations	—	—	1,192,359	1,234,462	—	—	109,971	106,867
Sugar & preps., including honey	—	—	546,309	152,468	—	—	74,305	13,485
Coffee, tea, cocoa, spices, etc. (mt)	40	38	180,982	164,886	4	4	17,305	15,644
Feeds and fodders	—	—	2,242,411	2,108,629	—	—	176,444	180,151
Protein meal (mt)	5,545	5,677	1,423,146	1,300,354	386	427	96,840	98,707
Beverages, excl. distilled alcohol (Llt.)	91,514	45,938	45,975	24,600	7,355	6,688	4,177	3,580
Tobacco, unmanufactured (mt)	204	217	1,057,347	1,258,794	18	17	100,473	99,735
Hides, skins, and furskins	—	—	825,259	844,389	—	—	67,147	79,840
Oilsseeds	—	—	5,474,770	5,836,790	—	—	411,613	475,786
Soybeans (mt)	16,643	20,871	5,060,199	5,362,111	1,137	1,626	332,058	411,199
Wool, unmanufactured (mt)	2	3	23,077	34,288	(1)	(1)	2,046	3,357
Cotton, unmanufactured (mt)	1,093	1,287	1,959,473	1,812,082	78	121	135,889	156,174
Fats, oils, and greases (mt)	1,199	1,174	588,647	545,580	144	123	69,491	57,374
Vegetable oils and waxes (mt)	1,197	1,170	827,023	702,925	150	151	103,909	93,073
Rubber and allied gums (mt)	10	8	19,414	15,106	1	1	2,280	1,984
Other	—	—	820,685	862,800	—	—	77,322	78,852
Total	—	—	34,809,053	31,767,995	—	—	3,191,034	3,129,128

¹ Less than 500.

Trade balance

	October-June				June			
	1980/81	1981/82	1981	1982	\$ Mil.			
	\$ Mil.				\$ Mil.			
Agricultural exports	34,809	31,768	3,191	3,129				
Nonagricultural exports	140,392	134,842	16,661	15,851				
Total exports ¹	175,201	166,610	19,852	18,980				
Agricultural imports	13,429	11,547	1,310	1,363				
Nonagricultural imports	178,804	174,892	21,038	20,479				
Total imports ²	192,233	186,439	22,348	21,842				
Agricultural trade balance	21,380	20,221	1,881	1,766				
Nonagricultural trade balance	-38,412	-40,050	-4,377	-4,628				
Total trade balance	-17,032	-19,829	-2,496	-2,862				

¹ Domestic exports including Department of Defense shipments (F.A.S. value). ² Imports for consumption (customs value).

U.S. agricultural exports by regions

Region and country ¹	October-June		June		Change from year earlier	
	1980/81	1981/82	1981	1982	October-June	June
	\$ Mil.				percent	percent
Western Europe	9,121	9,736	795	832	+7	+5
European Community (EC-10)	7,123	7,319	639	612	+3	-4
Belgium-Luxembourg	632	726	49	74	+15	+51
France	527	546	42	43	+4	+2
Germany, Fed. Rep.	1,423	1,359	111	99	-4	-11
Greece	169	170	13	25	+1	+92
Italy	918	824	97	100	-10	+3
Netherlands	2,589	2,783	246	199	+7	-19
United Kingdom	899	735	64	56	+5	-12
Other Western Europe	1,998	2,417	156	220	+21	+41
Portugal	584	445	67	54	-24	-19
Spain	849	1,342	40	126	+58	+215
Eastern Europe	1,647	806	74	89	-51	+20
German Dem. Rep.	314	221	4	19	-30	+375
Poland	566	140	19	16	-75	-16
Romania	384	130	35	24	-66	-31
Yugoslavia	143	138	8	23	-3	+188
USSR	1,348	2,290	15	82	+70	+447
Asia	12,473	11,030	1,128	1,208	-12	+7
West Asia	1,287	1,144	146	111	-11	-24
Iran	88	90	10	0	+2	-100
Iraq	127	107	26	11	-16	-58
Israel	285	257	35	30	-10	-14
Saudi Arabia	371	351	38	34	-5	-11
South Asia	264	502	35	62	+90	+77
India	135	257	16	8	+90	-50
Pakistan	80	134	12	21	+68	+75
East and Southeast Asia	10,921	9,384	946	1,035	-14	+9
China, Mainland	1,699	1,452	87	173	-15	+99
China, Taiwan	885	927	81	121	+5	+49
Japan	5,362	4,564	475	454	-15	-4
Korea, Rep.	1,733	1,188	159	149	-31	-6
Africa	2,157	1,934	356	208	-10	-42
North Africa	1,198	1,133	239	119	-5	-50
Algeria	224	180	34	11	-20	-68
Egypt	797	716	153	74	-10	-52
Other Africa	959	801	117	89	-16	-24
Nigeria	351	412	53	29	+17	-45
Latin America and Caribbean	5,542	3,851	534	449	-31	-16
Brazil	680	438	63	37	-36	-41
Caribbean	609	572	67	74	-6	+10
Central America	285	251	31	31	-12	0
Mexico	2,319	1,298	223	170	-44	-24
Peru	369	225	33	25	-39	-24
Venezuela	683	585	56	72	-14	+29
Canada	1,549	1,420	168	186	-8	-1
Canadian transhipments	815	458	108	72	-44	-33
Oceania	157	244	13	24	+55	+85
Total ²	34,809	31,768	3,191	3,129	-9	-2

¹ Not adjusted for transshipments through Canada. ² Regions may not add to totals due to rounding.

U.S. agricultural imports

	October-June				June			
	1980/81	1981/82	1980/81	1981/82	1981	1982	1981	1982
	Thou. units	Thou. units	\$ Thou.	\$ Thou.	Thou. units	Thou. units	\$ Thou.	\$ Thou.
Live animals, excluding poultry	—	—	275,175	303,484	—	—	15,960	32,139
Meat and preparations, excl. poultry (mt)	673	612	1,693,918	1,395,244	70	98	160,165	222,803
Beef and veal (mt)	497	440	1,239,023	939,320	49	73	113,810	153,023
Pork (mt)	151	153	389,698	400,861	18	23	39,465	62,986
Dairy products, excluding eggs	—	—	396,421	431,371	—	—	37,512	54,250
Poultry and poultry products	—	—	71,554	48,817	—	—	8,393	5,635
Grains and preparations	—	—	237,200	261,665	—	—	27,701	35,124
Wheat and flour (mt)	5	6	2,112	1,643	1	1	580	323
Rice (mt)	5	10	2,835	6,175	1	1	618	705
Feed grains (mt)	125	188	23,968	32,209	25	45	4,369	7,861
Other	—	—	208,285	221,638	—	—	22,134	26,235
Fruits, nuts, and preparations	—	—	1,112,116	1,237,291	—	—	151,797	177,972
Bananas, Fresh (mt)	1,843	1,851	373,923	403,651	219	255	47,947	55,881
Vegetables and preparations	—	—	713,404	940,633	—	—	87,053	89,835
Sugar and preparations, incl. honey	—	—	1,932,783	1,152,306	—	—	167,649	83,986
Sugar, cane or beet (mt)	2,763	2,932	1,747,571	1,006,991	283	197	146,057	62,859
Coffee, tea, cocoa, spices, etc. (mt)	1,282	1,167	3,492,213	2,817,240	117	121	290,310	302,278
Coffee, green (mt)	790	752	2,304,506	1,920,597	62	80	165,356	212,847
Cocoa beans (mt)	184	144	363,809	255,695	24	12	43,684	18,186
Feeds and fodders	—	—	81,154	80,782	—	—	9,216	9,276
Protein meal (mt)	24	42	5,187	7,127	3	6	573	1,114
Beverages, excl. distilled alcohol (hl)	7,265	8,026	846,731	900,978	876	1,069	95,537	118,431
Tobacco, unmanufactured (mt)	121	93	272,131	240,730	10	11	23,660	28,089
Hides, skins, and furskins	—	—	227,551	180,010	—	—	30,159	17,227
Oilseeds	—	—	353,447	62,854	—	—	48,409	6,068
Soybeans (mt)	11	6	3,440	1,564	1	(1)	157	105
Wool, unmanufactured (mt)	33	34	119,913	122,270	3	4	10,418	13,735
Cotton, unmanufactured (mt)	11	11	8,797	9,243	1	1	159	2,092
Fats, oils, and greases (Lb.)	8	9	6,914	6,525	1	1	1,029	753
Vegetable oils and waxes (Lb.)	653	538	410,029	318,463	52	76	31,068	42,351
Rubber and allied gums (Lb.)	476	515	596,750	464,945	51	65	60,834	54,428
Other	—	—	580,536	572,511	—	—	52,730	66,702
Total	—	—	13,428,737	11,547,362	—	—	1,309,759	1,363,174

¹Less than 500,000. Note: 1 metric ton (mt) = 2,204.622 lb; 1 hectoliter (hl) = 100 liters = 26.42008 gal.

World Agricultural Production

World supply and utilization of major crops

	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82 E	1982/83 F
Mil. units							
Wheat:							
Area (hectare)	233.2	227.1	228.8	228.3	236.2	236.3	235.3
Production (metric ton)	421.3	384.1	446.7	422.8	439.2	453.2	447.5
Exports (metric ton) ¹	63.3	72.8	72.0	86.0	93.6	99.6	101.2
Consumption (metric ton) ²	385.8	399.2	429.7	443.9	444.2	444.7	444.8
Ending stocks (metric ton) ³	99.8	84.4	101.3	80.2	75.2	83.8	86.5
Coarse grains:							
Area (hectare)	343.7	345.1	342.8	341.9	341.5	346.9	345.8
Production (metric ton)	704.2	700.6	753.6	741.0	730.3	772.4	781.4
Exports (metric ton) ¹	82.7	84.0	90.2	100.9	105.0	103.1	105.4
Consumption (metric ton) ²	685.2	692.0	748.1	740.6	741.4	744.9	760.7
Ending stocks (metric ton) ³	77.2	85.7	91.1	91.5	80.3	107.8	128.4
Rice, milled:							
Area (hectare)	141.5	143.3	144.5	143.2	144.2	145.5	144.3
Production (metric ton)	233.9	248.2	259.9	254.1	265.8	276.1	270.7
Exports (metric ton) ¹	10.5	9.5	11.6	12.7	13.0	12.1	12.2
Consumption (metric ton) ²	236.1	242.3	255.4	258.0	265.9	275.0	273.8
Ending stocks (metric ton) ³	18.5	24.5	29.0	25.0	24.9	25.9	22.9
Total grains:							
Area (hectare)	718.5	715.5	718.0	713.4	721.8	728.7	725.4
Production (metric ton)	1,359.4	1,333.0	1,460.2	1,417.9	1,435.2	1,501.7	1,499.7
Exports (metric ton) ¹	156.4	166.2	173.8	199.6	211.6	214.9	218.8
Consumption (metric ton) ²	1,307.1	1,333.5	1,433.2	1,442.8	1,451.5	1,464.7	1,479.3
Ending stocks (metric ton) ³	195.5	194.6	221.4	196.7	180.4	217.5	237.8
Oilseeds and meals:⁴							
Production (metric ton)	66.7	78.4	83.3	95.2	85.4	92.1	100.5
Trade (metric ton)	33.9	38.8	40.6	46.2	44.1	46.5	47.3
Fats and Oils:⁵							
Production (metric ton)	47.4	52.3	54.7	58.7	56.3	58.8	62.1
Trade (metric ton)	16.9	18.3	19.3	20.8	20.0	20.8	21.0
Cotton:							
Area (hectare)	30.7	32.8	32.4	32.2	32.4	33.4	31.7
Production (bale)	56.7	64.1	60.0	65.5	65.6	71.2	66.8
Exports (bale)	17.6	19.1	19.8	22.7	19.9	20.4	19.6
Consumption (bale)	60.6	60.0	62.4	65.3	65.9	65.7	68.0
Ending stocks (bale)	20.4	25.0	22.1	22.3	22.0	27.3	25.9

E = Estimated. F = Forecast. ¹Excludes Intra-EC trade. ²Where stocks data not available (excluding USSR), consumption includes stock changes.

³Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. ⁴Soybean meal equivalent. ⁵Calendar year data, 1975 data corresponds with 1974/75, 1976 data with 1975/76, etc.

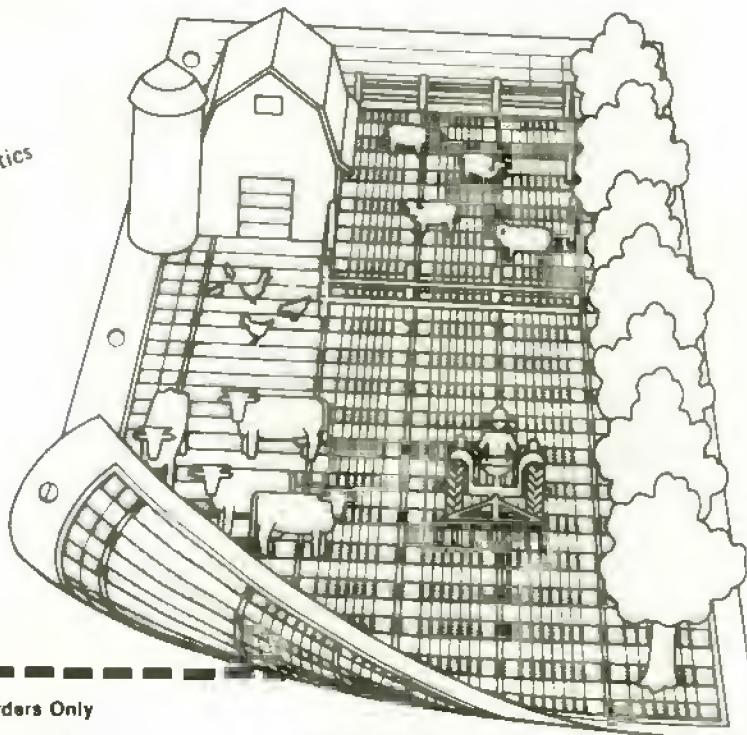
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Farm Prices Down, Ratio Steady in August

1977=100

160

140

120

100

80

60

40

Percent

180

160

140

120

100

80

Index of prices received by farmers^o

Index of prices paid by farmers[□]

Ratio of prices received to prices paid by farmers

1971 1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982

^oFor all farm products.

[□]For commodities, services, interest, taxes, and wage rates.